

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2010

SEVENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 15, 2010

The House of Representatives convened at 1:00 p.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Rozenia Fuller, Redeemer Lutheran Church, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

Dill and Falk were excused.

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

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson from the Committee on Finance to which was referred:

H. F. No. 802, A bill for an act relating to human services; prohibiting hospital payment for certain hospital-acquired conditions and certain treatments; amending Minnesota Statutes 2008, section 256.969, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL ASSISTANCE MEDICAL CARE

Section 1. [245.4862] MENTAL HEALTH URGENT CARE AND PSYCHIATRIC CONSULTATION.

Subdivision 1. **Mental health urgent care and psychiatric consultation.** The commissioner shall include mental health urgent care and psychiatric consultation services as part of, but not limited to, the redesign of six community-based behavioral health hospitals and the Anoka-Metro Regional Treatment Center. These services must not duplicate existing services in the region, and must be implemented as specified in subdivisions 3 to 7.

Subd. 2. **Definitions.** For purposes of this section:

(1) mental health urgent care includes:

(i) initial mental health screening;

(ii) mobile crisis assessment and intervention;

(iii) rapid access to psychiatry, including psychiatric evaluation, initial treatment, and short-term psychiatry;

(iv) nonhospital crisis stabilization residential beds; and

(v) health care navigator services which include, but are not limited to, assisting uninsured individuals in obtaining health care coverage; and

(2) psychiatric consultation services includes psychiatric consultation to primary care practitioners.

Subd. 3. **Rapid access to psychiatry.** The commissioner shall develop rapid access to psychiatric services based on the following criteria:

(1) the individuals who receive the psychiatric services must be at risk of hospitalization and otherwise unable to receive timely services;

(2) where clinically appropriate, the service may be provided via interactive video where the service is provided in conjunction with an emergency room, a local crisis service, or a primary care or behavioral care practitioner; and

(3) the commissioner may integrate rapid access to psychiatry with the psychiatric consultation services in subdivision 4.

Subd. 4. **Collaborative psychiatric consultation.** (a) The commissioner shall establish a collaborative psychiatric consultation service based on the following criteria:

(1) the service may be available via telephone, interactive video, e-mail, or other means of communication to emergency rooms, local crisis services, mental health professionals, and primary care practitioners, including pediatricians;

(2) the service shall be provided by a multidisciplinary team including, at a minimum, a child and adolescent psychiatrist, an adult psychiatrist, and a licensed clinical social worker;

(3) the service shall include a triage-level assessment to determine the most appropriate response to each request, including appropriate referrals to other mental health professionals, as well as provision of rapid psychiatric access when other appropriate services are not available;

(4) the first priority for this service is to provide the consultations required under section 256B.0625, subdivision 13j; and

(5) the service must encourage use of cognitive and behavioral therapies and other evidence-based treatments in addition to or in place of medication, where appropriate.

(b) The commissioner shall appoint an interdisciplinary work group to establish appropriate medication and psychotherapy protocols to guide the consultative process, including consultation with the Drug Utilization Review Board, as provided in section 256B.0625, subdivision 13j.

Subd. 5. **Phased availability.** (a) The commissioner may phase in the availability of mental health urgent care services based on the limits of appropriations and the commissioner's determination of level of need and cost-effectiveness.

(b) For subdivisions 3 and 4, the first phase must focus on adults in Hennepin and Ramsey Counties and children statewide who are affected by section 256B.0625, subdivision 13j, and must include tracking of costs for the services provided and associated impacts on utilization of inpatient, emergency room, and other services.

Subd. 6. **Limited appropriations.** The commissioner shall maximize use of available health care coverage for the services provided under this section. The commissioner's responsibility to provide these services for individuals without health care coverage must not exceed the appropriations for this section.

Subd. 7. **Flexible implementation.** To implement this section, the commissioner shall select the structure and funding method that is the most cost-effective for each county or group of counties. This may include grants, contracts, direct provision by state-operated services, and public-private partnerships. Where feasible, the commissioner shall make any grants under this section a part of the integrated adult mental health initiative grants under section 245.4661.

Sec. 2. Minnesota Statutes 2009 Supplement, section 256.969, subdivision 3a, is amended to read:

Subd. 3a. **Payments.** (a) Acute care hospital billings under the medical assistance program must not be submitted until the recipient is discharged. However, the commissioner shall establish monthly interim payments for inpatient hospitals that have individual patient lengths of stay over 30 days regardless of diagnostic category. Except as provided in section 256.9693, medical assistance reimbursement for treatment of mental illness shall be

reimbursed based on diagnostic classifications. Individual hospital payments established under this section and sections 256.9685, 256.9686, and 256.9695, in addition to third party and recipient liability, for discharges occurring during the rate year shall not exceed, in aggregate, the charges for the medical assistance covered inpatient services paid for the same period of time to the hospital. This payment limitation shall be calculated separately for medical assistance and general assistance medical care services. The limitation on general assistance medical care shall be effective for admissions occurring on or after July 1, 1991. Services that have rates established under subdivision 11 or 12, must be limited separately from other services. After consulting with the affected hospitals, the commissioner may consider related hospitals one entity and may merge the payment rates while maintaining separate provider numbers. The operating and property base rates per admission or per day shall be derived from the best Medicare and claims data available when rates are established. The commissioner shall determine the best Medicare and claims data, taking into consideration variables of recency of the data, audit disposition, settlement status, and the ability to set rates in a timely manner. The commissioner shall notify hospitals of payment rates by December 1 of the year preceding the rate year. The rate setting data must reflect the admissions data used to establish relative values. Base year changes from 1981 to the base year established for the rate year beginning January 1, 1991, and for subsequent rate years, shall not be limited to the limits ending June 30, 1987, on the maximum rate of increase under subdivision 1. The commissioner may adjust base year cost, relative value, and case mix index data to exclude the costs of services that have been discontinued by the October 1 of the year preceding the rate year or that are paid separately from inpatient services. Inpatient stays that encompass portions of two or more rate years shall have payments established based on payment rates in effect at the time of admission unless the date of admission preceded the rate year in effect by six months or more. In this case, operating payment rates for services rendered during the rate year in effect and established based on the date of admission shall be adjusted to the rate year in effect by the hospital cost index.

(b) For fee-for-service admissions occurring on or after July 1, 2002, the total payment, before third-party liability and spenddown, made to hospitals for inpatient services is reduced by .5 percent from the current statutory rates.

(c) In addition to the reduction in paragraph (b), the total payment for fee-for-service admissions occurring on or after July 1, 2003, made to hospitals for inpatient services before third-party liability and spenddown, is reduced five percent from the current statutory rates. Mental health services within diagnosis related groups 424 to 432, and facilities defined under subdivision 16 are excluded from this paragraph.

(d) In addition to the reduction in paragraphs (b) and (c), the total payment for fee-for-service admissions occurring on or after August 1, 2005, made to hospitals for inpatient services before third-party liability and spenddown, is reduced 6.0 percent from the current statutory rates. Mental health services within diagnosis related groups 424 to 432 and facilities defined under subdivision 16 are excluded from this paragraph. Notwithstanding section 256.9686, subdivision 7, for purposes of this paragraph, medical assistance does not include general assistance medical care. Payments made to managed care plans shall be reduced for services provided on or after January 1, 2006, to reflect this reduction.

(e) In addition to the reductions in paragraphs (b), (c), and (d), the total payment for fee-for-service admissions occurring on or after July 1, 2008, through June 30, 2009, made to hospitals for inpatient services before third-party liability and spenddown, is reduced 3.46 percent from the current statutory rates. Mental health services with diagnosis related groups 424 to 432 and facilities defined under subdivision 16 are excluded from this paragraph. Payments made to managed care plans shall be reduced for services provided on or after January 1, 2009, through June 30, 2009, to reflect this reduction.

(f) In addition to the reductions in paragraphs (b), (c), and (d), the total payment for fee-for-service admissions occurring on or after July 1, 2009, through June 30, ~~2010~~ 2011, made to hospitals for inpatient services before third-party liability and spenddown, is reduced 1.9 percent from the current statutory rates. Mental health services with diagnosis related groups 424 to 432 and facilities defined under subdivision 16 are excluded from this paragraph. Payments made to managed care plans shall be reduced for services provided on or after July 1, 2009, through June 30, ~~2010~~ 2011, to reflect this reduction.

(g) In addition to the reductions in paragraphs (b), (c), and (d), the total payment for fee-for-service admissions occurring on or after July 1, ~~2010~~ 2011, made to hospitals for inpatient services before third-party liability and spenddown, is reduced 1.79 percent from the current statutory rates. Mental health services with diagnosis related groups 424 to 432 and facilities defined under subdivision 16 are excluded from this paragraph. Payments made to managed care plans shall be reduced for services provided on or after July 1, ~~2010~~ 2011, to reflect this reduction.

(h) In addition to the reductions in paragraphs (b), (c), (d), (f), and (g), the total payment for fee-for-service admissions occurring on or after July 1, 2009, made to hospitals for inpatient services before third-party liability and spenddown, is reduced one percent from the current statutory rates. Facilities defined under subdivision 16 are excluded from this paragraph. Payments made to managed care plans shall be reduced for services provided on or after October 1, 2009, to reflect this reduction.

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

Sec. 3. Minnesota Statutes 2008, section 256.969, subdivision 27, is amended to read:

Subd. 27. **Quarterly payment adjustment.** (a) In addition to any other payment under this section, the commissioner shall make the following payments effective July 1, 2007:

(1) for a hospital located in Minnesota and not eligible for payments under subdivision 20, with a medical assistance inpatient utilization rate greater than 17.8 percent of total patient days as of the base year in effect on July 1, 2005, a payment equal to 13 percent of the total of the operating and property payment rates, except that Hennepin County Medical Center and Regions Hospital shall not receive a payment under this subdivision;

(2) for a hospital located in Minnesota in a specified urban area outside of the seven-county metropolitan area and not eligible for payments under subdivision 20, with a medical assistance inpatient utilization rate less than or equal to 17.8 percent of total patient days as of the base year in effect on July 1, 2005, a payment equal to ten percent of the total of the operating and property payment rates. For purposes of this clause, the following cities are specified urban areas: Detroit Lakes, Rochester, Willmar, Alexandria, Austin, Cambridge, Brainerd, Hibbing, Mankato, Duluth, St. Cloud, Grand Rapids, Wyoming, Fergus Falls, Albert Lea, Winona, Virginia, Thief River Falls, and Wadena;

(3) for a hospital located in Minnesota but not located in a specified urban area under clause (2), with a medical assistance inpatient utilization rate less than or equal to 17.8 percent of total patient days as of the base year in effect on July 1, 2005, a payment equal to four percent of the total of the operating and property payment rates. A hospital located in Woodbury and not in existence during the base year shall be reimbursed under this clause; and

(4) in addition to any payments under clauses (1) to (3), for a hospital located in Minnesota and not eligible for payments under subdivision 20 with a medical assistance inpatient utilization rate of 17.9 percent of total patient days as of the base year in effect on July 1, 2005, a payment equal to eight percent of the total of the operating and property payment rates, and for a hospital located in Minnesota and not eligible for payments under subdivision 20 with a medical assistance inpatient utilization rate of 59.6 percent of total patient days as of the base year in effect on July 1, 2005, a payment equal to nine percent of the total of the operating and property payment rates. After making any ratable adjustments required under paragraph (b), the commissioner shall proportionately reduce payments under clauses (2) and (3) by an amount needed to make payments under this clause.

(b) The state share of payments under paragraph (a) shall be equal to federal reimbursements to the commissioner to reimburse expenditures reported under section 256B.199, paragraphs (a) to (d). The commissioner shall ratably reduce or increase payments under this subdivision in order to ensure that these payments equal the amount of reimbursement received by the commissioner under section 256B.199, paragraphs (a) to (d), except that payments shall be ratably reduced by an amount equivalent to the state share of a four percent reduction in

MinnesotaCare and medical assistance payments for inpatient hospital services. Effective July 1, 2009, the ratable reduction shall be equivalent to the state share of a three percent reduction in these payments. Effective for federal disproportionate share hospital funds earned on payments reported under section 256B.199, paragraphs (a) to (d), for services rendered on or after April 1, 2010, payments shall not be made under this subdivision.

(c) The payments under paragraph (a) shall be paid quarterly based on each hospital's operating and property payments from the second previous quarter, beginning on July 15, 2007, or upon federal approval of federal reimbursements under section 256B.199, paragraphs (a) to (d), whichever occurs later.

(d) The commissioner shall not adjust rates paid to a prepaid health plan under contract with the commissioner to reflect payments provided in paragraph (a).

(e) The commissioner shall maximize the use of available federal money for disproportionate share hospital payments and shall maximize payments to qualifying hospitals. In order to accomplish these purposes, the commissioner may, in consultation with the nonstate entities identified in section 256B.199, paragraphs (a) to (d), adjust, on a pro rata basis if feasible, the amounts reported by nonstate entities under section 256B.199, paragraphs (a) to (d), when application for reimbursement is made to the federal government, and otherwise adjust the provisions of this subdivision. The commissioner shall utilize a settlement process based on finalized data to maximize revenue under section 256B.199, paragraphs (a) to (d), and payments under this section.

(f) For purposes of this subdivision, medical assistance does not include general assistance medical care.

EFFECTIVE DATE. This section is effective for services rendered on or after April 1, 2010.

Sec. 4. Minnesota Statutes 2008, section 256B.0625, subdivision 13f, is amended to read:

Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and recommend drugs which require prior authorization. The Formulary Committee shall establish general criteria to be used for the prior authorization of brand-name drugs for which generically equivalent drugs are available, but the committee is not required to review each brand-name drug for which a generically equivalent drug is available.

(b) Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The Formulary Committee may recommend drugs for prior authorization directly to the commissioner. The commissioner may also request that the Formulary Committee review a drug for prior authorization. Before the commissioner may require prior authorization for a drug:

(1) the commissioner must provide information to the Formulary Committee on the impact that placing the drug on prior authorization may have on the quality of patient care and on program costs, information regarding whether the drug is subject to clinical abuse or misuse, and relevant data from the state Medicaid program if such data is available;

(2) the Formulary Committee must review the drug, taking into account medical and clinical data and the information provided by the commissioner; and

(3) the Formulary Committee must hold a public forum and receive public comment for an additional 15 days.

The commissioner must provide a 15-day notice period before implementing the prior authorization.

(c) Except as provided in subdivision 13j, prior authorization shall not be required or utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness if:

- (1) there is no generically equivalent drug available; and
- (2) the drug was initially prescribed for the recipient prior to July 1, 2003; or
- (3) the drug is part of the recipient's current course of treatment.

This paragraph applies to any multistate preferred drug list or supplemental drug rebate program established or administered by the commissioner. Prior authorization shall automatically be granted for 60 days for brand name drugs prescribed for treatment of mental illness within 60 days of when a generically equivalent drug becomes available, provided that the brand name drug was part of the recipient's course of treatment at the time the generically equivalent drug became available.

(d) Prior authorization shall not be required or utilized for any antihemophilic factor drug prescribed for the treatment of hemophilia and blood disorders where there is no generically equivalent drug available if the prior authorization is used in conjunction with any supplemental drug rebate program or multistate preferred drug list established or administered by the commissioner.

(e) The commissioner may require prior authorization for brand name drugs whenever a generically equivalent product is available, even if the prescriber specifically indicates "dispense as written-brand necessary" on the prescription as required by section 151.21, subdivision 2.

(f) Notwithstanding this subdivision, the commissioner may automatically require prior authorization, for a period not to exceed 180 days, for any drug that is approved by the United States Food and Drug Administration on or after July 1, 2005. The 180-day period begins no later than the first day that a drug is available for shipment to pharmacies within the state. The Formulary Committee shall recommend to the commissioner general criteria to be used for the prior authorization of the drugs, but the committee is not required to review each individual drug. In order to continue prior authorizations for a drug after the 180-day period has expired, the commissioner must follow the provisions of this subdivision.

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

Sec. 5. Minnesota Statutes 2008, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13j. **Antipsychotic and attention deficit disorder and attention deficit hyperactivity disorder medications.** (a) The commissioner, in consultation with the Drug Utilization Review Board established in subdivision 13i and actively practicing pediatric mental health professionals, must:

(1) identify recommended pediatric dose ranges for atypical antipsychotic drugs and drugs used for attention deficit disorder or attention deficit hyperactivity disorder based on available medical, clinical, and safety data and research. The commissioner shall periodically review the list of medications and pediatric dose ranges and update the medications and doses listed as needed after consultation with the Drug Utilization Review Board;

(2) identify situations where a collaborative psychiatric consultation and prior authorization should be required before the initiation or continuation of drug therapy in pediatric patients including, but not limited to, high-dose regimens, off-label use of prescription medication, a patient's young age, and lack of coordination among multiple prescribing providers; and

(3) track prescriptive practices and the use of psychotropic medications in children with the goal of reducing the use of medication, where appropriate.

(b) Effective July 1, 2011, the commissioner shall require prior authorization and a collaborative psychiatric consultation before an atypical antipsychotic and attention deficit disorder and attention deficit hyperactivity disorder medication meeting the criteria identified in paragraph (a), clause (2), is eligible for payment. A collaborative psychiatric consultation must be completed before the identified medications are eligible for payment unless:

(1) the patient has already been stabilized on the medication regimen; or

(2) the prescriber indicates that the child is in crisis.

If clause (1) or (2) applies, the collaborative psychiatric consultation must be completed within 90 days for payment to continue.

(c) For purposes of this subdivision, a collaborative psychiatric consultation must meet the criteria described in section 245.4862, subdivision 4.

Sec. 6. Minnesota Statutes 2008, section 256B.0644, is amended to read:

256B.0644 REIMBURSEMENT UNDER OTHER STATE HEALTH CARE PROGRAMS.

(a) A vendor of medical care, as defined in section 256B.02, subdivision 7, and a health maintenance organization, as defined in chapter 62D, must participate as a provider or contractor in the medical assistance program, ~~general assistance medical care program~~, and MinnesotaCare as a condition of participating as a provider in health insurance plans and programs or contractor for state employees established under section 43A.18, the public employees insurance program under section 43A.316, for health insurance plans offered to local statutory or home rule charter city, county, and school district employees, the workers' compensation system under section 176.135, and insurance plans provided through the Minnesota Comprehensive Health Association under sections 62E.01 to 62E.19. The limitations on insurance plans offered to local government employees shall not be applicable in geographic areas where provider participation is limited by managed care contracts with the Department of Human Services.

(b) For providers other than health maintenance organizations, participation in the medical assistance program means that:

(1) the provider accepts new medical assistance, ~~general assistance medical care~~, and MinnesotaCare patients;

(2) for providers other than dental service providers, at least 20 percent of the provider's patients are covered by medical assistance, ~~general assistance medical care~~, and MinnesotaCare as their primary source of coverage; or

(3) for dental service providers, at least ten percent of the provider's patients are covered by medical assistance, ~~general assistance medical care~~, and MinnesotaCare as their primary source of coverage, or the provider accepts new medical assistance and MinnesotaCare patients who are children with special health care needs. For purposes of this section, "children with special health care needs" means children up to age 18 who: (i) require health and related services beyond that required by children generally; and (ii) have or are at risk for a chronic physical, developmental, behavioral, or emotional condition, including: bleeding and coagulation disorders; immunodeficiency disorders; cancer; endocrinopathy; developmental disabilities; epilepsy, cerebral palsy, and other neurological diseases; visual impairment or deafness; Down syndrome and other genetic disorders; autism; fetal alcohol syndrome; and other conditions designated by the commissioner after consultation with representatives of pediatric dental providers and consumers.

(c) Patients seen on a volunteer basis by the provider at a location other than the provider's usual place of practice may be considered in meeting the participation requirement in this section. The commissioner shall establish participation requirements for health maintenance organizations. The commissioner shall provide lists of participating medical assistance providers on a quarterly basis to the commissioner of management and budget, the commissioner of labor and industry, and the commissioner of commerce. Each of the commissioners shall develop and implement procedures to exclude as participating providers in the program or programs under their jurisdiction those providers who do not participate in the medical assistance program. The commissioner of management and budget shall implement this section through contracts with participating health and dental carriers.

(d) Any hospital or other provider that is participating in a coordinated care delivery system under section 256D.031, subdivision 6, or receives payments from the uncompensated care pool under section 256D.031, subdivision 8, shall not refuse to provide services to any patient enrolled in general assistance medical care regardless of the availability or the amount of payment.

Sec. 7. Minnesota Statutes 2009 Supplement, section 256B.0947, subdivision 1, is amended to read:

Subdivision 1. **Scope.** Effective November 1, ~~2010~~ 2011, and subject to federal approval, medical assistance covers medically necessary, intensive nonresidential rehabilitative mental health services as defined in subdivision 2, for recipients as defined in subdivision 3, when the services are provided by an entity meeting the standards in this section.

Sec. 8. Minnesota Statutes 2009 Supplement, section 256B.196, subdivision 2, is amended to read:

Subd. 2. **Commissioner's duties.** (a) For the purposes of this subdivision and subdivision 3, the commissioner shall determine the fee-for-service outpatient hospital services upper payment limit for nonstate government hospitals. The commissioner shall then determine the amount of a supplemental payment to Hennepin County Medical Center and Regions Hospital for these services that would increase medical assistance spending in this category to the aggregate upper payment limit for all nonstate government hospitals in Minnesota. In making this determination, the commissioner shall allot the available increases between Hennepin County Medical Center and Regions Hospital based on the ratio of medical assistance fee-for-service outpatient hospital payments to the two facilities. The commissioner shall adjust this allotment as necessary based on federal approvals, the amount of intergovernmental transfers received from Hennepin and Ramsey Counties, and other factors, in order to maximize the additional total payments. The commissioner shall inform Hennepin County and Ramsey County of the periodic intergovernmental transfers necessary to match federal Medicaid payments available under this subdivision in order to make supplementary medical assistance payments to Hennepin County Medical Center and Regions Hospital equal to an amount that when combined with existing medical assistance payments to nonstate governmental hospitals would increase total payments to hospitals in this category for outpatient services to the aggregate upper payment limit for all hospitals in this category in Minnesota. Upon receipt of these periodic transfers, the commissioner shall make supplementary payments to Hennepin County Medical Center and Regions Hospital.

(b) For the purposes of this subdivision and subdivision 3, the commissioner shall determine an upper payment limit for physicians affiliated with Hennepin County Medical Center and with Regions Hospital. The upper payment limit shall be based on the average commercial rate or be determined using another method acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall inform Hennepin County and Ramsey County of the periodic intergovernmental transfers necessary to match the federal Medicaid payments available under this subdivision in order to make supplementary payments to physicians affiliated with Hennepin County Medical Center and Regions Hospital equal to the difference between the established medical assistance payment for physician services and the upper payment limit. Upon receipt of these periodic transfers, the commissioner shall make supplementary payments to physicians of Hennepin Faculty Associates and HealthPartners.

(c) Beginning January 1, 2010, Hennepin County and Ramsey County ~~shall~~ may make monthly voluntary intergovernmental transfers to the commissioner in ~~the following amounts: \$133,333 by~~ not to exceed \$12,000,000 per year from Hennepin County and \$100,000 by \$6,000,000 per year from Ramsey County. The commissioner shall increase the medical assistance capitation payments to ~~Metropolitan Health Plan and HealthPartners by any~~ licensed health plan under contract with the medical assistance program that agrees to make enhanced payments to Hennepin County Medical Center or Regions Hospital. The increase shall be in an amount equal to the annual value of the monthly transfers plus federal financial participation-, with each health plan receiving its pro rata share of the increase based on the pro rata share of medical assistance admissions to Hennepin County Medical Center and Regions Hospital by those plans. Upon the request of the commissioner, health plans shall submit individual-level cost data for verification purposes. The commissioner may ratably reduce these payments on a pro rata basis in order to satisfy federal requirements for actuarial soundness. If payments are reduced, transfers shall be reduced accordingly. Any licensed health plan that receives increased medical assistance capitation payments under the intergovernmental transfer described in this paragraph shall increase its medical assistance payments to Hennepin County Medical Center and Regions Hospital by the same amount as the increased payments received in the capitation payment described in this paragraph.

(d) The commissioner shall inform Hennepin County and Ramsey County on an ongoing basis of the need for any changes needed in the intergovernmental transfers in order to continue the payments under paragraphs (a) to (c), at their maximum level, including increases in upper payment limits, changes in the federal Medicaid match, and other factors.

(e) The payments in paragraphs (a) to (c) shall be implemented independently of each other, subject to federal approval and to the receipt of transfers under subdivision 3.

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

Sec. 9. **[256B.197] INTERGOVERNMENTAL TRANSFERS; INPATIENT HOSPITAL PAYMENTS.**

Subdivision 1. **Federal approval required.** This section is effective for federal fiscal year 2010 and future years contingent on federal approval of the intergovernmental transfers and payments authorized under this section and contingent on payment of the intergovernmental transfers under this section.

Subd. 2. **Eligible nonstate government hospitals.** (a) Hennepin County Medical Center and Regions Hospital are eligible nonstate government hospitals.

(b) If the commissioner obtains federal approval to include other hospitals, including Fairview University Medical Center, the commissioner may expand the definition of eligible nonstate government hospitals to include other hospitals.

Subd. 3. **Commissioner's duties.** (a) For the purposes of this subdivision, the commissioner shall determine the fee-for-service inpatient hospital services upper payment limit for nonstate government hospitals. The commissioner shall determine, for each eligible nonstate government hospital, the amount of a supplemental payment for inpatient hospital services that would increase medical assistance spending for each eligible nonstate government hospital up to the amount that Medicare would pay for the Medicaid fee-for-service inpatient hospital services provided by that hospital. If the combined amount of such supplemental payment amounts and existing medical assistance payments for inpatient hospital services to all nonstate government hospitals is less than the upper payment limit, the commissioner shall increase the supplemental payment amount for each eligible nonstate government hospital in proportion to the initial supplemental payments in order to maximize the additional total payments.

(b) The commissioner shall inform each eligible nonstate government hospital and associated governmental entities of intergovernmental transfers necessary to provide the nonfederal share for the supplemental payment amount attributable to each eligible nonstate government hospital, as calculated under paragraph (a).

(c) Upon receipt of an intergovernmental transfer from a governmental entity associated with an eligible nonstate government hospital or from the eligible nonstate government hospital, the commissioner shall make a supplemental payment, using the amounts calculated under paragraph (a), to the associated eligible nonstate government hospital.

(d) The commissioner may implement the payments in this section through use of periodic payments and intergovernmental transfers.

(e) The commissioner shall inform eligible nonstate government hospitals and associated governmental entities on an ongoing basis of the need for any changes needed in the payment amounts or intergovernmental transfers in order to continue the payments under paragraph (c) at their maximum level, including increases in upper payment limits, changes in the federal Medicaid match, and other factors.

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

Sec. 10. 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: Beginning April 1, 2010, the general assistance medical care program shall be administered according to section 256D.031, unless otherwise stated, except for outpatient prescription drug coverage which will continue to be administered under this section.

(b) Drug coverage under general assistance medical care is limited to prescription drugs that:

(1) are covered under the medical assistance program as described in section 256B.0625, subdivisions 13 and 13d; and

(2) are provided by manufacturers that have fully executed general assistance medical care rebate agreements with the commissioner and comply with the agreements. Prescription drug coverage under general assistance medical care must conform to coverage under the medical assistance program according to section 256B.0625, subdivisions 13 to 13g.

(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.~~

~~(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.~~

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

Sec. 11. **[256D.031] GENERAL ASSISTANCE MEDICAL CARE.**

Subdivision 1. **Eligibility.** (a) Except as provided under subdivision 2, general assistance medical care may be paid for any individual 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, and who:

(1) is receiving assistance under section 256D.05, except for families with children who are eligible under the 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) is a resident of Minnesota and has gross countable income not in excess of 75 percent of 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.

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, except that 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.

(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.

Subd. 2. **Ineligible groups.** (a) General assistance medical care may not be paid for an applicant or a recipient who:

(1) is otherwise eligible for medical assistance but fails to verify their assets;

(2) is an adult in a family with children as defined in section 256L.01, subdivision 3a;

(3) is enrolled in private health coverage as defined in section 256B.02, subdivision 9;

(4) is in a correctional facility, including an individual in a county correctional or detention facility as an individual accused or convicted of a crime, or admitted as an inpatient to a hospital on a criminal hold order;

(5) resides in the Minnesota sex offender program defined in chapter 246B;

(6) does not cooperate with the county agency to meet the requirements of medical assistance; or

(7) does not cooperate with a county or state agency or the state medical review team in determining a disability or for determining eligibility for Supplemental Security Income or Social Security Disability Insurance by the Social Security Administration.

(b) 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 approval or acquiescence of the United States Citizenship and Immigration Services.

(c) 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.

(d) General assistance medical care recipients who become eligible for medical assistance shall be terminated from general assistance medical care and transferred to medical assistance.

Subd. 2a. Transitional MinnesotaCare. (a) Except as provided in paragraph (c), effective for applications received on or after April 1, 2010, and before June 1, 2010, all applicants who meet the eligibility requirements in subdivision 1, paragraph (a), clause (2), and who are not described in subdivision 2 shall be enrolled in MinnesotaCare under section 256L.04, subdivision 7, immediately following approval for general assistance medical care.

(b) If all other eligibility requirements of this subdivision are met, general assistance medical care may be paid for individuals identified in paragraph (a) for a temporary period beginning the date of application in accordance with subdivision 4. Notwithstanding subdivision 7, paragraph (c), eligibility for general assistance medical care shall continue until enrollment in MinnesotaCare is completed. Upon notification of eligibility for MinnesotaCare, notice of termination for eligibility for general assistance medical care shall be sent to the applicant. Once enrolled in MinnesotaCare, the MinnesotaCare-covered services as described in section 256L.03 shall apply for the remainder of the six-month general assistance medical care eligibility period until their six-month renewal.

(c) This subdivision does not apply if the applicant:

(1) has applied for and is 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) is homeless as defined by United States Code, title 42, section 11301, et seq.;

(3) is classified as an end-stage renal disease beneficiary in the Medicare program;

(4) receives treatment funded in section 254B.02; or

(5) fails to meet the requirements of section 256L.09, subdivision 2.

Applicants and recipients who meet any one of these criteria shall remain eligible for general assistance medical care and are not eligible to enroll in MinnesotaCare until the next renewal period.

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

(e) This subdivision expires June 1, 2010. For any applicant or recipient who meets the requirements of this subdivision before June 1, 2010, the commissioner shall continue the process of enrolling the individual in MinnesotaCare and, upon the completion of enrollment, the individual shall receive services under MinnesotaCare in accordance with paragraph (b).

Subd. 3. Eligibility and enrollment procedures. (a) Eligibility for general assistance medical care shall begin no earlier than the date of application. The date of application 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 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.

(b) 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.

(c) In determining the amount of assets of an individual eligible under subdivision 1, paragraph (a), clause (2), there shall be included any asset or interest in an asset, including an asset excluded under subdivision 1, 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.

(d) 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.

(e) Applicants and recipients are eligible for general assistance medical care for a six-month eligibility period. Eligibility may be renewed for additional six-month periods. During each six-month eligibility period, individuals are not eligible for MinnesotaCare.

Subd. 4. General assistance medical care; services. (a) Within the limitations described in this section, general assistance medical care covers medically necessary services that include:

(1) inpatient hospital services;

(2) outpatient hospital services;

(3) services provided by Medicare-certified rehabilitation agencies;

(4) prescription drugs;

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

(6) eyeglasses and eye examinations;

(7) hearing aids;

(8) prosthetic devices, if not covered by veteran's benefits;

(9) laboratory and x-ray services;

(10) physicians' services;

(11) medical transportation except special transportation;

(12) chiropractic services as covered under the medical assistance program;

(13) podiatric services;

(14) dental services;

(15) mental health services covered under chapter 256B;

(16) services performed by a certified pediatric nurse practitioner, a certified family nurse practitioner, a certified adult nurse practitioner, a certified obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise covered under this chapter as a physician service, (2) the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the operating payment rate, and (3) the service is within the scope of practice of the nurse practitioner's license as a registered nurse, as defined in section 148.171;

(17) services of a certified public health nurse or a registered nurse practicing in a public health nursing clinic that is a department of, or that operates under the direct authority of, a unit of government, if the service is within the scope of practice of the public health nurse's license as a registered nurse, as defined in section 148.171;

(18) telemedicine consultations, to the extent they are covered under section 256B.0625, subdivision 3b;

(19) care coordination and patient education services provided by a community health worker according to section 256B.0625, subdivision 49; and

(20) regardless of the number of employees that an enrolled health care provider may have, sign language interpreter services when provided by an enrolled health care provider during the course of providing a direct, person-to-person-covered health care service to an enrolled recipient who has a hearing loss and uses interpreting services.

(b) Sex reassignment surgery is not covered under this section.

(c) Drug coverage is covered in accordance with section 256D.03, subdivision 3, paragraph (b).

(d) The following co-payments shall apply for services provided:

(1) \$25 for nonemergency visits to a hospital-based emergency room; and

(2) \$3 per brand-name drug prescription, subject to a \$7 per month maximum for prescription drug co-payments. No co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness.

(e) Co-payments shall be limited to one per day per provider for nonemergency visits to a hospital-based emergency room. Recipients of general assistance medical care are responsible for all co-payments in this subdivision. Reimbursement for prescription drugs shall be reduced by the amount of the co-payment until the recipient has reached the \$7 per month maximum for prescription drug co-payments. The provider shall collect the co-payment from the recipient. Providers may not deny services to recipients who are unable to pay the co-payment.

(f) Chemical dependency services that are reimbursed under chapter 254B shall not be reimbursed under general assistance medical care.

(g) Inpatient hospital services that are provided in community behavioral health hospitals operated by state-operated services shall not be reimbursed under general assistance medical care.

Subd. 5. Payment rates and contract modification; April 1, 2010, to May 31, 2010. (a) For the period April 1, 2010, to May 31, 2010, general assistance medical care shall be paid on a fee-for-service basis. Fee-for-service payment rates for services other than outpatient prescription drugs shall be set at 37 percent of the payment rate in effect on March 31, 2010.

(b) Outpatient prescription drug coverage provided during the period April 1, 2010, to May 31, 2010, shall be paid on a fee-for-service basis according to section 256B.0625, subdivision 13e.

Subd. 6. Coordinated care delivery systems. (a) Effective June 1, 2010, the commissioner shall contract with hospitals or groups of hospitals that qualify under paragraph (b) and agree to deliver services according to this subdivision. Contracting hospitals shall develop and implement a coordinated care delivery system to provide health care services to individuals who are eligible for general assistance medical care under this section and who either choose to receive services through the coordinated care delivery system or who are enrolled by the commissioner under paragraph (c). The health care services provided by the system must include: (1) the services described in subdivision 4 with the exception of outpatient prescription drug coverage but shall include drugs administered in an outpatient setting; or (2) a set of comprehensive and medically necessary health services that the recipients might reasonably require to be maintained in good health and that has been approved by the commissioner, including as a minimum, but not limited to, emergency care, emergency ground ambulance transportation services, inpatient hospital and physician care, outpatient health services, preventive health services, mental health services, and drugs administered in an outpatient setting. Outpatient prescription drug coverage is covered on a fee-for-service basis in accordance with subdivisions 7 and 9. A hospital establishing a coordinated care delivery system under this subdivision must ensure that the requirements of this subdivision are met.

(b) A hospital or group of hospitals may contract with the commissioner to develop and implement a coordinated care delivery system as follows:

(1) effective June 1, 2010, a hospital qualifies under this subdivision if: (i) during calendar year 2007, it received fee-for-service payments for services to general assistance medical care recipients (A) equal to or greater than \$1,500,000, or (B) equal to or greater than 1.3 percent of net patient revenue; or (ii) a contract with the hospital is necessary to provide geographic access or to ensure that at least 80 percent of enrollees have access to a coordinated care delivery system; and

(2) effective December 1, 2010, a Minnesota hospital not qualified under clause (1) may contract with the commissioner under this subdivision if it agrees to satisfy the requirements of this subdivision.

Participation by hospitals shall become effective quarterly on June 1, September 1, December 1, or March 1. Hospital participation is effective for a period of 12 months and may be renewed for successive 12-month periods.

(c) Applicants and recipients may enroll in any available coordinated care delivery system. If more than one coordinated care delivery system is available, the applicant or recipient shall be allowed to choose among the systems. The commissioner may assign an applicant or recipient to a coordinated care delivery system if no choice is made by the applicant or recipient. Upon enrollment into a coordinated care delivery system, the enrollee must agree to receive all nonemergency services through the coordinated care delivery system. Enrollment in a coordinated care delivery system is for six months and may be renewed for additional six-month periods, except that initial enrollment is for six months or until the end of a recipient's period of general assistance medical care eligibility, whichever occurs first. An individual is not eligible to enroll in MinnesotaCare during a period of enrollment in a coordinated care delivery system. From June 1, 2010, to November 30, 2010, applicants and enrollees not enrolled in a coordinated care delivery system may seek services from a hospital eligible for reimbursement under the temporary uncompensated care pool established under subdivision 8. After November 30, 2010, services are available only through a coordinated care delivery system.

(d) The hospital may contract and coordinate with providers and clinics for the delivery of services and shall contract with essential community providers as defined under section 62Q.19, subdivision 1, paragraph (a), clauses (1) and (2), to the extent practicable. If a provider or clinic contracts with a hospital to provide services through the coordinated care delivery system, the provider may not refuse to provide services to any of the system's enrollees, and payment for services shall be negotiated with the hospital and paid by the hospital from the system's allocation under subdivision 7.

(e) A coordinated care delivery system must:

(1) provide the covered services required under paragraph (a) to recipients enrolled in the coordinated care delivery system, and comply with the requirements of subdivision 4, paragraphs (b) to (g);

(2) establish a process to monitor enrollment and ensure the quality of care provided;

(3) in cooperation with counties, coordinate the delivery of health care services with existing homeless prevention, supportive housing, and rent subsidy programs and funding administered by the Minnesota Housing Finance Agency under chapter 462A; and

(4) adopt innovative and cost-effective methods of care delivery and coordination, which may include the use of allied health professionals, telemedicine, patient educators, care coordinators, and community health workers.

(f) The hospital may require an enrollee to designate a primary care provider or a primary care clinic that is certified as a health care home under section 256B.0751. The hospital may limit the delivery of services to a network of providers who have contracted with the hospital to deliver services in accordance with this subdivision, and require an enrollee to seek services only within this network. The hospital may also require a referral to a

provider before the service is eligible for payment. A coordinated care delivery system is not required to provide payment to a provider who is not employed by or under contract with the system for services provided to an enrollee of the system, except in cases of an emergency.

(g) An enrollee of a coordinated care delivery system has the right to appeal to the commissioner according to section 256.045.

(h) The state shall not be liable for the payment of any cost or obligation incurred by the coordinated care delivery system.

(i) The hospital must provide the commissioner with data necessary for assessing enrollment, quality of care, cost, and utilization of services. Each hospital must provide, on a quarterly basis on a form prescribed by the commissioner for each enrollee served through the coordinated care delivery system, the services provided, the cost of services provided, the actual payment amount for the services provided, and any other information the commissioner deems necessary to claim federal Medicaid match.

Subd. 7. Payments; rate setting for the hospital coordinated care delivery system. (a) Effective for general assistance medical care services, with the exception of outpatient prescription drug coverage, provided on or after June 1, 2010, through a coordinated care delivery system, the commissioner shall allocate the annual appropriation for the coordinated care delivery system to hospitals participating under subdivision 6 twice every three months, starting June 1, 2010. The payment shall be allocated among all hospitals qualified to participate on the allocation date. Each hospital or group of hospitals shall receive a pro rata share of the allocation based on the hospital's or group of hospitals' calendar year 2007 payments for general assistance medical care services, provided that, for the purposes of this allocation, payments to Hennepin County Medical Center, Regions Hospital, and Fairview University Medical Center shall be weighted at 110 percent of the actual amount. The commissioner shall conduct a settle-up after the conclusion of each quarter to ensure that final allocations reflect actual hospital utilization and shall reallocate funds as necessary among participating hospitals. The 2007 base year shall be updated by one calendar year each June 1, beginning June 1, 2011.

(b) In order to be reimbursed under this section, nonhospital providers of health care services shall contract with one or more hospitals described in paragraph (a) to provide services to general assistance medical care recipients through the coordinated care delivery system established by the hospital. The hospital shall reimburse bills submitted by nonhospital providers participating under this paragraph at a rate negotiated between the hospital and the nonhospital provider.

(c) The commissioner shall apply for federal matching funds under section 256B.199, paragraphs (a) to (d), for expenditures under this subdivision.

(d) Outpatient prescription drug coverage provided on or after June 1, 2010, shall be paid on a fee-for-service basis according to subdivision 9 and section 256B.0625, subdivision 13e.

Subd. 8. Temporary uncompensated care pool. (a) The commissioner shall establish a temporary uncompensated care pool, effective June 1, 2010. Payments from the pool must be distributed, within the limits of the available appropriation, to hospitals that are not part of a coordinated care delivery system established under subdivision 6.

(b) Hospitals seeking reimbursement from this pool must submit an invoice to the commissioner in a form prescribed by the commissioner for payment for services provided to an applicant or enrollee not enrolled in a coordinated care delivery system. A payment amount, as calculated under current law, must be determined, but not paid, for each admission of or service provided to a general assistance medical care recipient on or after June 1, 2010, to November 30, 2010.

(c) The aggregated payment amounts for each hospital must be calculated as a percentage of the total calculated amount for all hospitals.

(d) Distributions from the uncompensated care pool for each hospital must be determined by multiplying the factor in paragraph (c) by the amount of money in the uncompensated care pool that is available for the six-month period.

(e) The commissioner shall apply for federal matching funds under section 256B.199, paragraphs (a) to (d), for expenditures under this subdivision.

(f) Outpatient prescription drugs are not eligible for payment under this subdivision.

Subd. 9. Prescription drug pool. (a) The commissioner shall establish a prescription drug pool, effective June 1, 2010. Money in the pool must be used to reimburse pharmacies and other providers for prescription drugs dispensed to enrollees, on a fee-for-service basis according to section 256B.0625, subdivision 13e. Prescription drug coverage is subject to the availability of funds in the pool. If the commissioner forecasts that expenditures under this subdivision will exceed the appropriation for this purpose, the commissioner may bring recommendations to the Legislative Advisory Commission on methods to resolve the shortfall.

(b) Effective June 1, 2010, coordinated care delivery systems established under subdivision 6 shall pay to the commissioner, on a quarterly basis, an assessment that in the aggregate equals 20 percent of the state appropriation for the prescription drug pool. Each coordinated care delivery system's assessment must be in proportion to the system's share of total funding provided by the state for coordinated care delivery systems, as calculated by the commissioner based on the most recent available data.

Subd. 10. Assistance for veterans. Hospitals participating in the coordinated care delivery system under subdivision 6 shall consult with counties, county veterans service officers, and the Veterans Administration to identify other programs for which general assistance medical care recipients enrolled in their system are qualified.

EFFECTIVE DATE. This section is effective for services rendered on or after April 1, 2010.

Sec. 12. Minnesota Statutes 2008, section 256L.05, subdivision 3, is amended to read:

Subd. 3. Effective date of coverage. (a) The effective date of coverage is the first day of the month following the month in which eligibility is approved and the first premium payment has been received. As provided in section 256B.057, coverage for newborns is automatic from the date of birth and must be coordinated with other health coverage. The effective date of coverage for eligible newly adoptive children added to a family receiving covered health services is the month of placement. The effective date of coverage for other new members added to the family is the first day of the month following the month in which the change is reported. All eligibility criteria must be met by the family at the time the new family member is added. The income of the new family member is included with the family's gross income and the adjusted premium begins in the month the new family member is added.

(b) The initial premium must be received by the last working day of the month for coverage to begin the first day of the following month.

(c) Benefits are not available until the day following discharge if an enrollee is hospitalized on the first day of coverage.

(d) Notwithstanding any other law to the contrary, benefits under sections 256L.01 to 256L.18 are secondary to a plan of insurance or benefit program under which an eligible person may have coverage and the commissioner shall use cost avoidance techniques to ensure coordination of any other health coverage for eligible persons. The commissioner shall identify eligible persons who may have coverage or benefits under other plans of insurance or who become eligible for medical assistance.

(e) The effective date of coverage for single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section ~~256D.03, subdivision 3~~ 256D.031, subdivision 2a, is the first day of the month following the last day of general assistance medical care coverage.

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

Sec. 13. Minnesota Statutes 2008, section 256L.05, subdivision 3a, is amended to read:

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

(b) Each new period of eligibility must take into account any changes in circumstances that impact eligibility and premium amount. An enrollee must provide all the information needed to redetermine eligibility by the first day of the month that ends the eligibility period. If there is no change in circumstances, the enrollee may renew eligibility at designated locations that include community clinics and health care providers' offices. The designated sites shall forward the renewal forms to the commissioner. The commissioner may establish criteria and timelines for sites to forward applications to the commissioner or county agencies. The premium for the new period of eligibility must be received as provided in section 256L.06 in order for eligibility to continue.

(c) For single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section ~~256D.03, subdivision 3~~ 256D.031, subdivision 2a, the first period of eligibility begins the month the enrollee submitted the application or renewal for general assistance medical care.

~~(d)~~ An enrollee who fails to submit renewal forms and related documentation necessary for verification of continued eligibility in a timely manner shall remain eligible for one additional month beyond the end of the current eligibility period before being disenrolled. The enrollee remains responsible for MinnesotaCare premiums for the additional month.

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

Sec. 14. Minnesota Statutes 2008, section 256L.07, subdivision 6, is amended to read:

Subd. 6. **Exception for certain adults.** Single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section ~~256D.03, subdivision 3~~ 256D.031, subdivision 2a, are eligible without meeting the requirements of this section until renewal.

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

Sec. 15. Minnesota Statutes 2008, section 256L.15, subdivision 4, is amended to read:

Subd. 4. **Exception for transitioned adults.** County agencies shall pay premiums for single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section ~~256D.03, subdivision 3~~ 256D.031, subdivision 2a, until six-month renewal. The county agency has the option of continuing to pay premiums for these enrollees.

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

Sec. 16. Minnesota Statutes 2008, section 256L.17, subdivision 7, is amended to read:

Subd. 7. **Exception for certain adults.** Single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section ~~256D.03, subdivision 3~~ 256D.031, subdivision 2a, are exempt from the requirements of this section until renewal.

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

Sec. 17. Minnesota Statutes 2008, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. **Disposition of license fee.** (a) Of the marriage license fee collected pursuant to subdivision 1b, paragraph (a), \$25 must be retained by the county. The local registrar must pay \$85 to the commissioner of management and budget to be deposited as follows:

(1) ~~\$50~~ \$55 in the general fund;

(2) \$3 in the state government special revenue fund to be appropriated to the commissioner of public safety for parenting time centers under section 119A.37;

(3) \$2 in the special revenue fund to be appropriated to the commissioner of health for developing and implementing the MN ENABL program under section 145.9255; and

(4) \$25 in the special revenue fund is appropriated to the commissioner of employment and economic development for the displaced homemaker program under section 116L.96; ~~and~~

~~(5) \$5 in the special revenue fund is appropriated to the commissioner of human services for the Minnesota Healthy Marriage and Responsible Fatherhood Initiative under section 256.742.~~

(b) Of the \$40 fee under subdivision 1b, paragraph (b), \$25 must be retained by the county. The local registrar must pay \$15 to the commissioner of management and budget to be deposited as follows:

(1) \$5 as provided in paragraph (a), clauses (2) and (3); and

(2) \$10 in the special revenue fund is appropriated to the commissioner of employment and economic development for the displaced homemaker program under section 116L.96.

~~(e) The increase in the marriage license fee under paragraph (a) provided for in Laws 2004, chapter 273, and disbursement of the increase in that fee to the special fund for the Minnesota Healthy Marriage and Responsible Fatherhood Initiative under paragraph (a), clause (5), is contingent upon the receipt of federal funding under United States Code, title 42, section 1315, for purposes of the initiative.~~

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

Sec. 18. **DRUG REBATE PROGRAM.**

The commissioner of human services shall continue to administer a drug rebate program for drugs purchased for persons eligible for the general assistance medical care program in accordance with Minnesota Statutes, sections 256.01, subdivision 2, paragraph (cc), and 256D.03.

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

Sec. 19. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall edit Minnesota Statutes, sections 256B.69 and 256B.692, to remove references to the general assistance medical care program.

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

Sec. 20. **REPEALER.**

(a) Minnesota Statutes 2008, sections 256.742; 256.979, subdivision 8; 256B.195, subdivisions 4 and 5; and 256D.03, subdivision 9, are repealed.

(b) Minnesota Statutes 2009 Supplement, sections 256B.195, subdivisions 1, 2, and 3; and 256D.03, subdivision 4, are repealed.

(c) Minnesota Statutes 2008, sections 256L.05, subdivision 1b; 256L.07, subdivision 6; 256L.15, subdivision 4; and 256L.17, subdivision 7, are repealed effective January 1, 2011.

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

ARTICLE 2

APPROPRIATIONS

Section 1. **HUMAN SERVICES APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 79, as amended by Laws 2009, chapter 173, or other law, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Supplemental appropriations and reductions for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 2. **HUMAN SERVICES**

<u>Subdivision 1. Total Appropriation</u>	<u>\$(7,517,000)</u>	<u>\$(69,393,000)</u>
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Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	34,807,000	118,493,000
<u>Health Care Access</u>	(42,324,000)	(187,886,000)

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Children Support Enforcement Grants** -0- (300,000)

Minnesota Healthy Marriage and Responsible Fatherhood Initiative Fee. Notwithstanding Minnesota Statutes, section 517.08, the balance and the fee revenue available to the commissioner of human services for the healthy marriage and responsible fatherhood initiative in the state government special revenue fund must be transferred to and deposited into the general fund by June 30, 2011.

Subd. 3. **Children and Economic Assistance Operations** (1,408,000) (1,560,000)

Subd. 4. **Basic Health Care Grants**

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) **MinnesotaCare Grants**

Appropriations by Fund

Health Care Access (42,324,000) (187,886,000)

(b) **Medical Assistance Basic Health Care Grants - Families and Children** -0- (49,000)

(c) **Medical Assistance Basic Health Care Grants - Elderly and Disabled** -0- (1,275,000)

(d) **General Assistance Medical Care** 39,413,000 135,837,000

For general assistance medical care payments under Minnesota Statutes, section 256D.031.

\$5,500,000 in fiscal year 2010 and \$65,500,000 in fiscal year 2011 is for payments to coordinated care delivery systems under Minnesota Statutes, section 256D.031, subdivision 7.

\$4,375,000 in fiscal year 2010 and \$51,875,000 in fiscal year 2011 is for payments for prescription drugs under Minnesota Statutes, section 256D.031, subdivision 9.

\$28,000,000 in fiscal year 2010 is for provider and prescription drug payments under Minnesota Statutes, section 256D.031, subdivision 5.

\$1,538,000 in fiscal year 2010 and \$18,462,000 in fiscal year 2011 is for payments from the temporary uncompensated care pool under Minnesota Statutes, section 256D.031, subdivision 8.

Any amount under paragraph (d) that is not spent in the first year does not cancel and is available for payments in the second year.

The commissioner may transfer any unexpended amount under Minnesota Statutes, section 256D.031, subdivision 9, after the final allocation in fiscal year 2011 to make payments under Minnesota Statutes, section 256D.031, subdivision 7.

Any unexpended amount not used for general assistance medical care expenditures incurred before April 1, 2010, under Minnesota Statutes, section 256D.03, shall be used to make payments under paragraph (d).

Subd. 5. Health Care Management

The amounts that may be spent from the appropriation for each purpose are as follows:

<u>Health Care Administration</u>	<u>(2,998,000)</u>	<u>(5,270,000)</u>
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Base Adjustment. The general fund base for health care administration is reduced by \$182,000 in fiscal year 2012 and \$182,000 in fiscal year 2013.

Subd. 6. Continuing Care Grants

(a) <u>Mental Health Grants</u>	<u>(200,000)</u>	<u>(7,904,000)</u>
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The general fund appropriation to the commissioner of human services for adult mental health grants in Laws 2009, chapter 79, article 13, section 3, subdivision 8, as amended by Laws 2009, chapter 173, article 2, section 1, subdivision 8, is reduced by \$7,704,000 in fiscal year 2011. This is a onetime reduction.

\$200,000 of the reduction in each year is to eliminate specialty care grants for the 2007 mental health initiative infrastructure investments.

(b) <u>Other Continuing Care Grants</u>	<u>-0-</u>	<u>(2,037,000)</u>
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HIV Grants. The general fund appropriation for the HIV drug and insurance grant program shall be reduced by \$2,037,000 in fiscal year 2011 and increased by \$2,037,000 in fiscal year 2013. These adjustments are onetime and must not be applied to the base. Notwithstanding any contrary provision, this provision expires June 30, 2013.

Subd. 7. <u>Continuing Care Management</u>	<u>-0-</u>	<u>1,051,000</u>
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Subd. 8. Transfers

The commissioner must transfer \$29,538,000 in fiscal year 2010 and \$18,462,000 in fiscal year 2011 from the health care access fund to the general fund. This is a onetime transfer.

The commissioner must transfer \$4,800,000 from the consolidated chemical dependency treatment fund to the general fund by June 30, 2010.

EFFECTIVE DATE. This article is effective April 1, 2010."

Amend the title accordingly

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

The report was adopted.

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

H. F. No. 890, A bill for an act relating to children; modifying and clarifying provisions governing parentage presumptions and right to custody; providing for prebirth parentage orders or judgments in certain cases; amending Minnesota Statutes 2008, sections 257.54; 257.541, subdivision 1; 257.55, subdivision 1; 257.57, subdivision 5.

Reported the same back with the following amendments:

Page 2, delete lines 1 to 4 and insert:

"(b) This subdivision does not apply in a contested paternity or maternity proceeding if the pregnancy was initiated by means other than sexual intercourse pursuant to an express written agreement among all known presumptive parents, entered into prior to the initiation of the pregnancy, under which another woman is identified as the intended mother."

Page 3, delete lines 12 to 14 and insert:

"(i) the pregnancy was initiated by means other than sexual intercourse and he intended at the outset of the process to be the legal parent of any resulting child, pursuant to an express written agreement among all known presumptive parents entered into prior to initiation of the pregnancy."

Page 3, line 25, delete "assisted reproductive technology" and insert "a means other than sexual intercourse"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 891, A bill for an act relating to public safety; expanding and modifying the expungement law; authorizing courts to modify or suspend collateral sanctions under certain circumstances; limiting the situations in which a juvenile delinquency criminal record is publicly available; amending Minnesota Statutes 2008, sections 260B.171, subdivisions 4, 5; 609.135, by adding a subdivision; 609A.02, subdivisions 2, 3; 609A.03, subdivisions 2, 3, 4, 5, 5a, 7; proposing coding for new law in Minnesota Statutes, chapter 609A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 609A.02, subdivision 3, is amended to read:

Subd. 3. **Certain criminal proceedings not resulting in conviction.** A petition may be filed under section 609A.03 to seal all records relating to an arrest, indictment or information, trial, or verdict if the records are not subject to section 299C.11, subdivision 1, paragraph (b), and if:

(1) all pending actions or proceedings were resolved in favor of the petitioner. For purposes of this chapter, a verdict of not guilty by reason of mental illness is not a resolution in favor of the petitioner; or

(2) the petitioner has successfully completed the terms of a diversion program or stay of adjudication that was agreed to by the prosecutor and has not been charged with a new crime for at least one year since completion of the diversion program or stay of adjudication.

Sec. 2. **[609A.025] EXPUNGEMENT WHEN CHARGES ARE DISMISSED; NO PETITION REQUIRED WITH PROSECUTOR AGREEMENT AND VICTIM NOTIFICATION.**

(a) Upon agreement of the prosecutor, the court shall seal the criminal record for a person described in section 609A.02, subdivision 3, clause (2), without the filing of a petition unless it determines that the interests of the public and public safety in keeping the record public outweigh the disadvantages to the subject of the record in not sealing it.

(b) Before agreeing to the sealing of a record under this section, the prosecutor shall make a good-faith effort to inform any identifiable victims of the offense of the intended prosecutorial agreement and the opportunity to object to the agreement.

(c) Subject to paragraph (b), the prosecutor may agree to the sealing of records under this section before or after the criminal charges are dismissed.

Sec. 3. Minnesota Statutes 2008, section 609A.03, subdivision 2, is amended to read:

Subd. 2. **Contents of petition.** (a) A petition for expungement shall be signed under oath by the petitioner and shall state the following:

(1) the petitioner's full name and all other legal names or aliases by which the petitioner has been known at any time;

(2) the petitioner's date of birth;

(3) all of the petitioner's addresses from the date of the offense or alleged offense in connection with which an expungement order is sought, to the date of the petition;

(4) why expungement is sought, if it is for employment or licensure purposes, the statutory or other legal authority under which it is sought, and why it should be granted;

(5) the details of the offense or arrest for which expungement is sought, including the date and jurisdiction of the occurrence, either the names of any victims or that there were no identifiable victims, whether there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or whether there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the court file number, and the date of conviction or of dismissal;

(6) in the case of a conviction, what steps the petitioner has taken since the time of the offense toward personal rehabilitation, including treatment, work, or other personal history that demonstrates rehabilitation;

(7) petitioner's criminal conviction record indicating all convictions for misdemeanors, gross misdemeanors, or felonies in this state, and for all comparable convictions in any other state, federal court, or foreign country, whether the convictions occurred before or after the arrest or conviction for which expungement is sought;

(8) petitioner's criminal charges record indicating all prior and pending criminal charges against the petitioner in this state or another jurisdiction, including all criminal charges that have been continued for dismissal or stayed for adjudication, or have been the subject of pretrial diversion; and

(9) all prior requests by the petitioner, whether for the present offense or for any other offenses, in this state or any other state or federal court, for pardon, return of arrest records, or expungement or sealing of a criminal record, whether granted or not, and all stays of adjudication or imposition of sentence involving the petitioner.

(b) If there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the petitioner shall attach a copy of the order to the petition.

(c) Where practicable, the petitioner shall attach to the petition a copy of the complaint or the police report for the offense or offenses for which expungement is sought.

Sec. 4. Minnesota Statutes 2008, section 609A.03, subdivision 7, is amended to read:

Subd. 7. **Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105, shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened upon request by law enforcement, prosecution, or corrections authorities, for purposes of a criminal investigation, prosecution, or sentencing, ~~upon an ex parte~~ without a court order;

(2) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order; and

(3) an expunged record of a conviction may be opened for purposes of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority."

Delete the title and insert:

"A bill for an act relating to public safety; authorizing the expungement of criminal records for certain individuals who have received stays of adjudication or diversion; authorizing expungements without petitions in certain cases where charges were dismissed against a person upon prosecutorial approval and with victim

notification; requiring persons petitioning for an expungement to provide a copy of the criminal complaint or police report; amending Minnesota Statutes 2008, sections 609A.02, subdivision 3; 609A.03, subdivisions 2, 7; proposing coding for new law in Minnesota Statutes, chapter 609A."

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. 1000, A bill for an act relating to transportation; designating Highway 14 as Black and Yellow Trail; amending Minnesota Statutes 2008, section 161.14, 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. 1503, A bill for an act relating to health occupations; providing registration for massage therapists; amending Minnesota Statutes 2008, section 116J.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapters 148; 325F; repealing Minnesota Rules, part 2500.5000.

Reported the same back with the following amendments:

Page 6, line 11, after the semicolon, insert "and"

Page 6, delete lines 12 to 16

Page 6, line 17, delete "(3)" and insert "(2)"

Page 7, delete lines 12 to 17

Page 7, line 18, delete "(2)" and insert "(1)"

Page 7, line 22, delete "(3)" and insert "(2)"

Pages 16 to 17, delete subdivision 4

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1671, A bill for an act relating to public employment; modifying provisions relating to labor or employee organizations; amending Minnesota Statutes 2008, sections 16A.133, subdivision 1; 179A.03, subdivision 14; 179A.06, subdivisions 3, 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

HIGHER EDUCATION

Section 1. **SUMMARY OF APPROPRIATIONS.**

Subdivision 1. Summary Total. The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$1,410,000	\$(48,155,000)	\$(46,745,000)
<u>Total</u>	<u>\$1,410,000</u>	<u>\$(48,155,000)</u>	<u>\$(46,745,000)</u>

Subd. 2. Summary by Agency - All Funds. The amounts shown in this subdivision summarize direct appropriations, by agency, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>Minnesota Office of Higher Education</u>	\$1,410,000	\$(1,568,000)	\$(158,000)
<u>Board of Trustees of the Minnesota State Colleges and Universities</u>	-0-	(10,467,000)	(10,467,000)
<u>Board of Regents of the University of Minnesota</u>	-0-	(36,120,000)	(36,120,000)
<u>Total</u>	<u>\$1,410,000</u>	<u>\$(48,155,000)</u>	<u>\$(46,745,000)</u>

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 **2011**

Sec. 3. **OFFICE OF HIGHER EDUCATION**

Subdivision 1. **Total Appropriation**

\$1,410,000 **\$(1,568,000)**

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **State Grants**

-0- (1,487,000)

The tuition maximum for fiscal year 2011 for students in two-year programs and for students in private, for-profit, four-year programs is \$5,364.

Financial aid changes in this article are expected to achieve savings available to the state grant program for fiscal year 2011 as a result of reducing tuition maximums, eliminating eligibility for a ninth semester, and eliminating the high school-to-college developmental transition program grants. Any additional savings necessary to make grants in fiscal year 2011 must be achieved through the application of Minnesota Statutes, section 136A.121, subdivision 7.

This is a onetime reduction.

Subd. 3. **Interstate Tuition Reciprocity**

1,487,000 -0-

Subd. 4. **Agency Administration**

(77,000) (81,000)

Sec. 4. **BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES**

Subdivision 1. **Total Appropriation**

\$-0- **\$(10,467,000)**

The amounts that must be reduced or added for each purpose are specified in the following subdivisions.

Subd. 2. **Central Office and Shared Services Unit**

-0- (3,000,000)

Reductions under this subdivision must not be allocated to any institution and must not be charged back to any campus or institution.

Subd. 3. Operations and Maintenance-0-(7,467,000)

Each institution must reduce administrative budgets by at least ten percent. The remaining reductions must be allocated proportionately to all institutions to minimize the impact on students and instruction.

For fiscal years 2012 and 2013, the base for operations and maintenance is \$597,467,000 each year.

Subd. 4. Cook County Higher Education

\$40,000 in fiscal year 2010 and \$40,000 in fiscal year 2011 appropriated by Laws 2009, chapter 95, article 1, section 4, to the board of trustees for operations and maintenance is for Cook County higher education.

Sec. 5. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA**Subdivision 1. Total Appropriation****\$-0-****\$(36,120,000)**

The amounts that must be reduced or added for each purpose are specified in the following subdivisions.

Subd. 2. Operations and Maintenance-0-(32,223,000)

The legislature intends that reductions under this subdivision are achieved through at least a ten percent reduction to administrative budgets, distributed proportionately to the Twin Cities campus and the other campuses of the University of Minnesota. Remaining reductions must be made to minimize the impact on students and instruction.

Reductions under this subdivision must not be allocated to the University of Minnesota and Mayo Foundation Partnership.

For fiscal years 2012 and 2013, the base for operations and maintenance is \$566,882,000 each year.

Subd. 3. Special Appropriations**(a) Agriculture and Extension Service**-0-(2,787,000)**(b) Health Sciences**-0-(281,000)

\$18,000 in fiscal year 2011 is a reduction to the appropriation to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program.

Reductions under this paragraph for the graduate family medicine education programs at Hennepin County Medical Center must be proportional to other reductions under this paragraph.

(c) <u>Institute of Technology</u>	-0-	(74,000)
(d) <u>System Special</u>	-0-	(328,000)
(e) <u>University of Minnesota and Mayo Foundation Partnership</u>	-0-	(427,000)

Sec. 6. Minnesota Statutes 2008, section 136A.121, subdivision 6, is amended to read:

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of allowances specified in law for living and miscellaneous expenses, and an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, ~~or~~ the tuition and fee maximums established in law, or for students in two-year or four-year private, for-profit programs, the maximum tuition and fee amount for a public two-year institution.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.

(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

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

Sec. 7. Minnesota Statutes 2009 Supplement, section 136A.121, subdivision 9, is amended to read:

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent for ~~nine~~ eight semesters or the equivalent, excluding courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit. A student who withdraws from enrollment for active military service, or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

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

Sec. 8. **[136A.129] LEGISLATIVE NOTICE.**

The office shall notify the chairs of the legislative committees with primary jurisdiction over higher education finance of any proposed material change to the administration of any of the grant or financial aid programs in sections 136A.095 to 136A.128.

Sec. 9. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such terms and conditions as the office may prescribe. ~~The Under the SELF IV program, the principal amount of a loan to an undergraduate student for a single academic year shall not exceed \$6,000 for grade levels 1 and 2 effective July 1, 2006, through June 30, 2007. Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed \$7,500 effective July 1, 2006 \$7,500 per grade level.~~ The aggregate principal amount of all loans made under this section to an undergraduate student shall not exceed ~~\$34,500 through June 30, 2007, and \$37,500 after June 30, 2007.~~ The principal amount of a loan to a graduate student for a single academic year shall not exceed \$9,000. The aggregate principal amount of all loans made under this section to a student as an undergraduate and graduate student shall not exceed ~~\$52,500 through June 30, 2007, and \$55,500 after June 30, 2007.~~ The amount of the loan may not exceed the cost of attendance less all other financial aid, including PLUS loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF loan debt must not exceed the borrowing maximums in paragraph (b).

(b) The cumulative undergraduate borrowing maximums for SELF IV loans are:

(1) ~~effective July 1, 2006, through June 30, 2007:~~

(i) ~~grade level 1, \$6,000;~~

(ii) ~~grade level 2, \$12,000;~~

(iii) ~~grade level 3, \$19,500;~~

(iv) ~~grade level 4, \$27,000; and~~

(v) ~~grade level 5, \$34,500; and~~

(2) ~~effective July 1, 2007:~~

(i) ~~grade level 1, \$7,500;~~

(ii) ~~(2) grade level 2, \$15,000;~~

(iii) ~~(3) grade level 3, \$22,500;~~

(iv) ~~(4) grade level 4, \$30,000; and~~

(v) ~~(5) grade level 5, \$37,500.~~

(c) The principal amount of a SELF V or subsequent phase loan to students enrolled in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed \$10,000 per grade level. For all other eligible students, the principal amount of the loan must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made under this section to a student as an undergraduate and graduate student must not exceed \$70,000. The amount of the loan must not exceed the cost of attendance less all other financial aid, including PLUS loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF loan debt must not exceed the borrowing maximums in paragraph (d).

(d)(1) The cumulative borrowing maximums for SELF V loans and subsequent phases for students enrolled in a bachelor's degree program or postbaccalaureate program are:

(i) grade level 1, \$10,000;

(ii) grade level 2, \$20,000;

(iii) grade level 3, \$30,000;

(iv) grade level 4, \$40,000; and

(v) grade level 5, \$50,000.

(2) For graduate level students, the borrowing limit is \$10,000 per nine-month academic year, with a cumulative maximum for all SELF loan debt of \$70,000.

(3) For all other eligible students, the cumulative borrowing maximums for SELF V loans and subsequent phases are:

(i) grade level 1, \$7,500;

(ii) grade level 2, \$15,000;

(iii) grade level 3, \$22,500;

(iv) grade level 4, \$30,000; and

(v) grade level 5, \$37,500.

Sec. 10. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered to issue revenue bonds whose aggregate principal amount at any time shall not exceed ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42, to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving, furnishing, or equipping one or more projects or parts thereof.

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

Sec. 11. **[136F.08] CENTRAL SYSTEM OFFICE.**

Subdivision 1. **Establishment.** A central system office is established for the Minnesota State Colleges and Universities to provide central support to the institutions enrolling students and to assist the board in fulfilling its missions under section 136F.05. The central office must not assume responsibility for services that are most effectively and efficiently provided at the institution level. The central system office is under the direction of the chancellor.

Subd. 2. **General duties.** The central system office must coordinate system level responsibilities for financial management, personnel management, facilities management, information technology, credit transfer, legal affairs, government relations, and auditing. The central system office shall coordinate its services with the services provided at the institution level so as not to duplicate any functions that are provided by institutions.

Sec. 12. **[136F.302] CREDIT TRANSFER.**

The board of trustees must develop and maintain a systemwide effective and efficient mechanism for seamless student transfer between system institutions that has a goal of minimal loss of credits for transferring students. The Degree Audit and Reporting System (DARS) and u.select database (and successor databases) housed within the

office of the chancellor shall be the official repository of course equivalencies between system colleges and universities. Each system college and university shall be responsible for ensuring the accuracy and completeness of course equivalencies listed for courses offered by that college or university. The development and maintenance of the system must, at a minimum, address the following:

- (1) alignment of institution curriculum and its communication to stakeholders;
- (2) transfer between similar programs;
- (3) documentation for transfer-related agreements between institutions;
- (4) systemwide transfer information on the Internet that is easily accessible and maintained in a current and accurate status;
- (5) training for campus-level staff to provide accurate and consistent advice to students;
- (6) institutional rather than student obligation to provide prompt required documentation for course equivalency determinations; and
- (7) consistency of transfer policies among institutions in compliance with a system policy.

Sec. 13. Minnesota Statutes 2009 Supplement, section 136F.98, subdivision 1, is amended to read:

Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State Colleges and Universities or a successor may issue revenue bonds under sections 136F.90 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~ \$275,000,000, and payable from the revenue appropriated to the fund established by section 136F.94, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures or portions thereof to be used for dormitory, residence hall, student union, food service, parking purposes, or for any other similar revenue-producing building or buildings of such type and character as the board finds desirable for the good and benefit of the state colleges and universities. Before issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house of representatives Ways and Means Committee and the senate Finance Committee about the facilities to be financed by the bonds.

Sec. 14. Minnesota Statutes 2009 Supplement, section 299A.45, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** A person is eligible to receive educational benefits under this section if the person:

- (1) is certified under section 299A.44 and in compliance with this section and rules of the commissioner of public safety and the Minnesota Office of Higher Education;
- (2) is enrolled in an undergraduate degree or certificate program after June 30, 1990, at an eligible Minnesota institution as provided in section 136A.101, subdivision 4;
- (3) has not received a baccalaureate degree or been enrolled full time for ~~nine~~ eight semesters or the equivalent, except that a student who withdraws from enrollment for active military service is entitled to an additional semester or the equivalent of eligibility; and
- (4) is related in one of the following ways to a public safety officer killed in the line of duty on or after January 1, 1973:
 - (i) as a dependent child less than 23 years of age;

(ii) as a surviving spouse; or

(iii) as a dependent child less than 30 years of age who has served on active military duty 181 consecutive days or more and has been honorably discharged or released to the dependent child's reserve or National Guard unit.

Sec. 15. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:

Subd. 6. Achieve Scholarship Program	4,350,000	4,350,000
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For scholarships under Minnesota Statutes, section 136A.127, the office shall transfer the appropriation for fiscal year 2011 to the appropriation for state grants.

Sec. 16. Laws 2009, chapter 95, article 1, section 3, subdivision 21, is amended to read:

Subd. 21. **Transfers**

The Minnesota Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the achieve scholarship appropriation, the public safety officers' survivors appropriation, and the Minnesota college savings plan appropriation. Transfers from the state grant, child care, or state work-study appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs of the senate and house of representatives committees with jurisdiction over higher education finance.

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

Sec. 17. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

Subd. 2. Operations and Maintenance	550,345,000	604,239,000
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(a) This appropriation includes funding for operation and maintenance of the system.

(b) The Board of Regents shall submit expenditure reduction plans by March 15, 2010, to the committees of the legislature with responsibility for higher education finance to achieve the 2012-2013 base established in this section. The plan must focus on protecting direct instruction.

(c) Appropriations under this subdivision may be used for a new scholarship under Minnesota Statutes, section 137.0225, to complement the University's Founders scholarship.

(d) This appropriation includes amounts for an Ojibwe Indian language program on the Duluth campus.

(e) This appropriation includes money for the Dakota language teacher training immersion program on the Twin Cities campus to prepare teachers to teach in Dakota language immersion programs.

(f) This appropriation includes money for the Veterinary Diagnostic Laboratory to preserve accreditation.

(g) This appropriation includes money in fiscal year 2010 for a onetime grant to the Minnesota Wildlife Rehabilitation Center ~~for their uncompensated expenses~~ in an amount equal to the loan balance as of March 11, 2010, for expenses related to the center's move from the campus.

(h) For fiscal years 2012 and 2013, the base for operations and maintenance is \$596,930,000 each year.

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

Sec. 18. **OFFICE OF HIGHER EDUCATION CARRYFORWARD.**

Notwithstanding Minnesota Statutes, section 136A.125, subdivision 7, or 136A.233, subdivision 1, the Office of Higher Education may carry forward to fiscal year 2011, funds allocated to an institution for the child care and work study programs that exceed the actual need and were refunded to the office from fiscal year 2010. Notwithstanding Minnesota Statutes, section 136A.125, subdivision 4c, funds carried forward for the child care program in fiscal year 2011 may be used to expand the number of recipients in the program.

Sec. 19. **REPORT OF CREDIT TRANSFER ACTIVITIES.**

The Board of Trustees of the Minnesota State Colleges and Universities shall report on February 15, 2011, and annually thereafter through 2015, on its activities to achieve the credit transfer goals of Minnesota Statutes, section 136F.302, and the results of those activities. The report shall be made to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The goals of Minnesota Statutes, section 136F.302, should be fully achieved as soon as possible, but no later than the start of the 2015-2016 academic year.

Sec. 20. **MNSCU REVENUE BONDS FOR STATE UNIVERSITIES.**

Notwithstanding Minnesota Statutes, section 136F.98, subdivision 1, for fiscal years 2010 and 2011, the board of trustees must use the increase in the aggregate revenue bond limit in Minnesota Statutes, section 136F.98, subdivision 1, to issue revenue bonds for eligible projects at state universities.

Sec. 21. **PILOT PROJECT; LOCAL DEPOSIT OF RESERVES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

Subdivision 1. **Establishment.** To increase the distribution of potential economic benefit of deposits of reserve funds of the institutions of the Minnesota State Colleges and Universities, a pilot project is established to transfer certain reserve deposits of selected institutions from the state treasury to a community financial institution. Notwithstanding Minnesota Statutes, section 16A.27, on July 1, 2010, the commissioner of management and budget shall transfer the board-required reserve funds of colleges and universities selected by the board of trustees under subdivision 2, to a community financial institution designated for each of the participating colleges and universities.

Subd. 2. Participating colleges and universities. By June 11, 2010, colleges and universities must apply to the Board of Trustees of the Minnesota State Colleges and Universities for participation in the pilot project. Each applicant must designate one or more community financial institutions for the deposit of board-required reserves, with the terms of the deposit for each designated community financial institution. The designated community financial institution must be located within 25 miles of a participating campus. From the applicants, the board shall select eight postsecondary institutions to participate in the local deposit pilot project. In making its selection, the board must consider the size of the institution's reserves and the terms offered by the designated community financial institutions. Two-year and four-year institutions must be selected to participate in the pilot project and at least five of the selected institutions must be located in greater Minnesota.

By June 25, 2010, the board must notify the commissioner of management and budget of the participating colleges and universities and the associated community financial institutions.

Subd. 3. Community financial institution. As used in this section, "community financial institution" means a federally insured bank or credit union, chartered as a bank or credit union by the state of Minnesota or the United States, that is headquartered in Minnesota.

Subd. 4. Evaluation and report. The commissioner of management and budget and the board of trustees shall independently evaluate the effectiveness or harm of the local deposit pilot project in increasing the use of community financial institutions and providing wider distribution of the economic benefit of the deposit of postsecondary reserves. Each evaluation must include the participating colleges, universities, and community financial institutions. The commissioner and the board shall report the results of the pilot project evaluation to the appropriate committees of the legislature by December 1, 2011, with recommendations on the future implementation of the pilot project.

Sec. 22. APPROPRIATION REDUCTIONS.

Any reduction in appropriations for the biennium ending June 30, 2011, for the central system office of Minnesota State Colleges and Universities must not be passed through to any institution or campus. The board of trustees must not charge any institution for appropriation reductions made to the central office.

Sec. 23. REPEALER.

(a) Minnesota Statutes 2008, section 136A.127, subdivisions 1, 3, 5, 6, 7, 10, and 11, are repealed.

(b) Minnesota Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision 9b; and 136A.127, subdivisions 2, 4, 9, 9b, 10a, and 14, are repealed.

ARTICLE 2

ENVIRONMENT AND NATURAL RESOURCES

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(4,032,000)</u>	<u>\$(6,044,000)</u>	<u>\$(10,076,000)</u>
<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>	<u>535,000</u>

<u>Game and Fish</u>	<u>-0-</u>	<u>250,000</u>	<u>250,000</u>
<u>Total</u>	<u>\$(4,032,000)</u>	<u>\$(5,259,000)</u>	<u>\$(9,291,000)</u>

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 3. **POLLUTION CONTROL AGENCY**

Subdivision 1. <u>Total Appropriation</u>	<u>\$(535,000)</u>	<u>\$(630,000)</u>
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Appropriations by Fund

<u>General</u>	<u>(535,000)</u>	<u>(1,165,000)</u>
<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>

The appropriation additions or reductions for each purpose are shown in the following subdivisions.

In order to leverage nonstate money or to address high priority needs identified by the commissioner, the commissioner may shift appropriations in Laws 2009, chapter 37, article 1, section 3, available in one fiscal year to the other fiscal year. Any adjustments made under this paragraph do not affect the agency base for the programs affected.

Subd. 2. <u>Water</u>	<u>(392,000)</u>	<u>(456,000)</u>
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Appropriations by Fund

<u>General</u>	<u>(392,000)</u>	<u>(991,000)</u>
<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>

The commissioner shall recover the cost of attorney general services related to environmental assessment worksheets from the project proposers.

\$485,000 in 2011 is a reduction in the appropriation for general water program operations.

\$485,000 is appropriated from the environmental fund for attorney general costs in water program operations.

\$140,000 in 2010 and \$304,000 in 2011 are reductions in the appropriations for the clean water partnership program.

\$152,000 in 2010 and \$152,000 in 2011 are reductions in the appropriations for the county feedlot grant program.

\$100,000 in 2010 is a reduction in the appropriation for stormwater compliance grants.

\$50,000 in 2011 is a reduction in the appropriation for grants to the Red River Watershed Management Board for the river watch program.

\$50,000 in 2011 is appropriated from the environmental fund for grants to the Red River Watershed Management Board for the river watch program.

Subd. 3. <u>Environmental Assistance and Cross-Media</u>	(61,000)	(95,000)
Subd. 4. <u>Administrative Support</u>	(82,000)	(79,000)
Sec. 4. <u>NATURAL RESOURCES</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(2,501,000)</u>	<u>\$(3,184,000)</u>

Appropriations by Fund

<u>General</u>	<u>(2,501,000)</u>	<u>(3,434,000)</u>
<u>Game and Fish</u>	<u>-0-</u>	<u>250,000</u>

The appropriation additions or reductions for each purpose are shown in the following subdivisions.

In order to leverage nonstate money, or to address high priority needs identified by the commissioner, the commissioner may shift appropriations in Laws 2009, chapter 37, article 1, section 4, available in one fiscal year to the other fiscal year. Any adjustments made under this paragraph do not affect the agency base for the programs affected.

Subd. 2. <u>Lands and Minerals</u>	(315,000)	(333,000)
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\$124,000 in 2010 and \$124,000 in 2011 are reductions in the appropriations for land and mineral resources management operations.

\$67,000 in 2010 and \$85,000 in 2011 are reductions in the appropriations for the iron ore cooperative research program.

\$6,000 in 2010 and \$6,000 in 2011 are reductions in the appropriations for minerals cooperative research.

\$115,000 in 2010 and \$115,000 in 2011 are reductions in the appropriations for issuing mining permits in Laws 2009, chapter 88, article 12, section 22.

\$3,000 in 2010 and \$3,000 in 2011 are reductions in the appropriations for minerals diversification.

Subd. 3. Water Resource Management

(447,000)

(533,000)

\$447,000 in 2010 and \$447,000 in 2011 are reductions in the appropriations for water resource management operations.

\$60,000 in 2011 is a reduction in the appropriation for grants to the Mississippi Headwaters Board.

\$5,000 in 2011 is a reduction in the appropriation for the payment to the Leech Lake Band of Chippewa Indians.

\$10,000 in 2011 is a reduction in the appropriation for the construction of ring dikes.

\$11,000 in 2011 is a reduction in the appropriation for the Red River flood damage reduction grants.

Subd. 4. Forest Management

(815,000)

(665,000)

Appropriations by Fund

General (815,000) (915,000)

Game and Fish -0- 250,000

\$617,000 in 2010 and \$617,000 in 2011 are reductions in the appropriations for forest management.

\$82,000 in 2010 and \$82,000 in 2011 are reductions in the appropriations to maintain forest management operations.

\$72,000 in 2010 and \$72,000 in 2011 are reductions in the appropriations for prevention, presuppression, and suppression costs of emergency firefighting.

\$14,000 in 2010 and \$14,000 in 2011 are reductions in the appropriations for the FORIST system.

\$30,000 in 2010 and \$130,000 in 2011 are reductions in the appropriations for grants to the Forest Resources Council.

\$250,000 in fiscal year 2011 is appropriated from the game and fish fund to maintain and expand the ecological classification system program on state forest lands. This is a onetime appropriation.

Subd. 5. Parks and Trails Management

(565,000)

(565,000)

\$490,000 in 2010 and \$490,000 in 2011 are reductions in the appropriations for parks management.

\$75,000 in 2010 and \$75,000 in 2011 are reductions in the appropriations for trails and waterways management.

Subd. 6. Fish and Wildlife Management

-0-

(400,000)

\$400,000 in 2011 is a reduction in the appropriation for wildlife health programs.

Subd. 7. Ecological Services

(213,000)

(188,000)

\$168,000 in 2010 and \$168,000 in 2011 are reductions in the appropriations for ecological services operations.

\$45,000 in 2010 and \$20,000 in 2011 are reductions in the appropriations for the prevention of the spread of invasive species.

Subd. 8. Enforcement

(136,000)

(400,000)

Subd. 9. Operations Support

(10,000)

(100,000)

Sec. 5. BOARD OF WATER AND SOIL RESOURCES

\$(884,000)

\$(1,145,000)

\$119,000 in 2010 and \$119,000 in 2011 are reductions in the appropriations for administration.

\$33,000 in 2010 and \$33,000 in 2011 are reductions in the appropriations for Wetland Conservation Act oversight.

\$14,000 in 2010 and \$14,000 in 2011 are reductions in the appropriations for assistance to local drainage officials.

\$258,000 in 2010 and \$251,000 in 2011 are reductions in the appropriations for natural resources block grants to local governments.

\$228,000 in 2010 and \$228,000 in 2011 are reductions in the appropriations for general purpose grants to soil and water conservation districts.

\$32,000 in 2010 and \$32,000 in 2011 are reductions in the appropriations for cost-share feedlot grants.

\$105,000 in 2010 and \$72,000 in 2011 are reductions in the appropriations for cost-share grants.

\$67,000 in 2010 and \$58,000 in 2011 are reductions in the appropriations for cost-share grants to establish and maintain riparian vegetative buffers.

\$7,000 in 2010 and \$7,000 in 2011 are reductions in the appropriations for county cooperative weed management programs.

\$7,000 in 2010 and \$7,000 in 2011 are reductions in the appropriations for transfers to the Department of Natural Resources for enforcement of the Wetland Conservation Act.

\$7,000 in 2010 and \$7,000 in 2011 are reductions in the appropriations for grants to local units of government in the 11-county metropolitan area for response to Wetland Conservation Act violations.

\$7,000 in 2010 and \$7,000 in 2011 are reductions in the appropriations for cost-share grants for drainage records modernization.

\$90,000 in 2011 is a reduction in the appropriation for the grant to the Red River Basin Commission.

\$90,000 in 2011 is a reduction in the appropriation for the grant to the Minnesota River Basin Joint Powers Board.

\$130,000 in 2011 is a reduction in the appropriation for a grant to Area II, Minnesota River Basin Projects for flood plain management.

Notwithstanding Minnesota Statutes, sections 103B.3369 and 103C.501, in order to leverage nonstate money or to address high priority needs identified by board resolution, the board may shift appropriations in Laws 2009, chapter 37, article 1, section 5, available in one fiscal year to the other fiscal year. Any adjustments made under this paragraph do not affect the agency base for the programs affected.

Sec. 6. **METROPOLITAN COUNCIL**

\$(112,000)

\$(300,000)

\$112,000 in 2010 and \$300,000 in 2011 are reductions in the appropriations for metropolitan parks and trails.

The commissioner of management and budget, in consultation with the council, may shift these reductions from the first fiscal year to the second fiscal year if sufficient funds are not available for reduction in the first fiscal year. Any adjustments made under this paragraph do not affect the appropriation base.

Sec. 7. **TRANSFERS AND CANCELLATIONS.**

Subdivision 1. **Department of Natural Resources**

(a) The appropriation in Laws 2007, First Special Session chapter 2, article 1, section 5, for cost-share flood programs in southeastern Minnesota is reduced by \$335,000 and that amount is canceled to the general fund.

(b) The balance of surcharges on criminal and traffic offenders, estimated to be \$900,000, and credited to the game and fish fund under Minnesota Statutes, section 357.021, subdivision 7, and collected prior to June 30, 2010, must be transferred to the general fund.

(c) By June 30, 2010, the commissioner of management and budget shall transfer any remaining balance, estimated to be \$98,000, from the stream protection and improvement fund under Minnesota Statutes, section 103G.705, to the general fund. Beginning in fiscal year 2011, all repayment of loans made and administrative fees assessed under Minnesota Statutes, section 103G.705, must be transferred to the general fund.

Subd. 2. **Board of Water and Soil Resources**

(a) The amounts appropriated from the returned grant accounts in the special revenue fund are reduced by \$310,000, and that amount must be transferred to the general fund by June 30, 2011.

(b) The appropriation in Laws 2008, chapter 363, article 5, section 5, for cost-share flood work is reduced by \$245,000, and that amount is canceled to the general fund.

(c) The appropriation in Laws 2007, chapter 57, article 1, section 5, for clean water legacy programs and grants is reduced by \$775,000, and that amount is canceled to the general fund.

(d) The appropriation in Laws 2007, First Special Session chapter 2, article 1, section 8, for cost-share flood programs in southeastern Minnesota is reduced by \$553,000, and that amount is canceled to the general fund.

Sec. 8. Minnesota Statutes 2008, section 97A.061, subdivision 1, is amended to read:

Subdivision 1. **Applicability; amount.** (a) The commissioner shall annually make a payment to each county having public hunting areas and game refuges. Money to make the payments is annually appropriated for that purpose from the general fund. Except as provided in paragraph (b), this section does not apply to state trust fund land and other state land not purchased for game refuge or public hunting purposes. Except as provided in paragraph (b), the payment shall be 87 percent for fiscal year 2011 and 93.5 percent thereafter of the greatest of:

(1) 35 percent of the gross receipts from all special use permits and leases of land acquired for public hunting and game refuges;

(2) 50 cents per acre on land purchased actually used for public hunting or game refuges; or

(3) three-fourths of one percent of the appraised value of purchased land actually used for public hunting and game refuges.

(b) The payment shall be 50 percent of the dollar amount adjusted for inflation as determined under section 477A.12, subdivision 1, paragraph (a), clause (1), multiplied by the number of acres of land in the county that are owned by another state agency for military purposes and designated as a game refuge under section 97A.085.

(c) The payment must be reduced by the amount paid under subdivision 3 for croplands managed for wild geese.

(d) The appraised value is the purchase price for five years after acquisition. The appraised value shall be determined by the county assessor every five years after acquisition.

Sec. 9. **97A.072] PEACE OFFICER TRAINING ACCOUNT.**

Subdivision 1. **Account established; sources.** The peace officer training account is created in the game and fish fund in the state treasury. Revenue from the portion of the surcharges assessed to criminal and traffic offenders in section 357.021, subdivision 7, clause (1), shall be deposited in the account and is appropriated to the commissioner. Money in the account may be spent only for the purposes provided in subdivision 2.

Subd. 2. **Purposes of account.** Money in the peace officer training account may only be spent by the commissioner for peace officer training for employees of the Department of Natural Resources who are licensed under sections 626.84 to 626.863 to enforce game and fish laws.

Sec. 10. Minnesota Statutes 2008, section 103G.705, subdivision 2, is amended to read:

Subd. 2. **Stream protection and improvement fund.** There is established in the state treasury a stream protection and redevelopment fund. All repayments of loans made and administrative fees assessed under subdivision 1 must be deposited in this fund. Interest earned on money in the fund accrues to the fund and money in the fund is appropriated to the commissioner of natural resources for purposes of the stream protection and redevelopment program, including costs incurred by the commissioner to establish and administer the program. Beginning in fiscal year 2010, all repayments of loans made and administrative fees assessed under subdivision 1 must be transferred to the general fund. This includes any balance within the fund from repayments and administrative fees assessed prior to July 1, 2009.

Sec. 11. Minnesota Statutes 2009 Supplement, section 357.021, subdivision 7, is amended to read:

Subd. 7. **Disbursement of surcharges by commissioner of management and budget.** (a) Except as provided in paragraphs (b), (c), and (d), the commissioner of management and budget shall disburse surcharges received under subdivision 6 and section 97A.065, subdivision 2, as follows:

(1) beginning July 1, 2010, one percent shall be credited to the peace officer training account in the game and fish fund and appropriated to the commissioner of natural resources to provide peace officer training for employees of the Department of Natural Resources who are licensed under sections 626.84 to 626.863, and who possess peace officer authority for the purpose of enforcing game and fish laws;

(2) 39 percent shall be credited to the peace officers training account in the special revenue fund; and

(3) 60 percent shall be credited to the general fund.

(b) The commissioner of management and budget shall credit \$3 of each surcharge received under subdivision 6 and section 97A.065, subdivision 2, to the general fund.

(c) In addition to any amounts credited under paragraph (a), the commissioner of management and budget shall credit \$47 of each surcharge received under subdivision 6 and section 97A.065, subdivision 2, and the \$12 parking surcharge, to the general fund.

(d) If the Ramsey County Board of Commissioners authorizes imposition of the additional \$1 surcharge provided for in subdivision 6, paragraph (a), the court administrator in the Second Judicial District shall transmit the surcharge to the commissioner of management and budget. The \$1 special surcharge is deposited in a Ramsey County surcharge account in the special revenue fund and amounts in the account are appropriated to the trial courts for the administration of the petty misdemeanor diversion program operated by the Second Judicial District Ramsey County Violations Bureau.

Sec. 12. Minnesota Statutes 2008, section 477A.12, subdivision 1, is amended to read:

Subdivision 1. **Types of land; payments.** (a) As an offset for expenses incurred by counties and towns in support of natural resources lands, 87 percent for fiscal year 2011 and 93.5 percent thereafter of the following amounts are annually appropriated to the commissioner of natural resources from the general fund for transfer to the commissioner of revenue. The commissioner of revenue shall pay the transferred funds to counties as required by sections 477A.11 to 477A.145. The amounts are:

(1) for acquired natural resources land, \$3, as adjusted for inflation under section 477A.145, multiplied by the total number of acres of acquired natural resources land or, at the county's option three-fourths of one percent of the appraised value of all acquired natural resources land in the county, whichever is greater;

(2) 75 cents, as adjusted for inflation under section 477A.145, multiplied by the number of acres of county-administered other natural resources land;

(3) 75 cents, as adjusted for inflation under section 477A.145, multiplied by the total number of acres of land utilization project land; and

(4) 37.5 cents, as adjusted for inflation under section 477A.145, multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year prior to the payment year.

(b) The amount determined under paragraph (a), clause (1), is payable for land that is acquired from a private owner and owned by the Department of Transportation for the purpose of replacing wetland losses caused by transportation projects, but only if the county contains more than 500 acres of such land at the time the certification is made under subdivision 2.

ARTICLE 3

ZOOS AND SCIENCE MUSEUM

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(26,000)</u>	<u>\$(234,000)</u>	<u>\$(260,000)</u>

Sec. 2. APPROPRIATIONS.

The dollar amounts in the columns under "Appropriations" are added to, or, if shown in parentheses, subtracted from appropriations enacted in the 2009 regular legislative session. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>ZOOLOGICAL BOARD</u>	<u>\$(26,000)</u>	<u>\$(216,000)</u>
Sec. 4. <u>SCIENCE MUSEUM OF MINNESOTA</u>	<u>\$-0-</u>	<u>\$(18,000)</u>

ARTICLE 4

ENERGY

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts in this section summarize direct appropriations, or reductions in appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$110,000</u>	<u>\$(322,000)</u>	<u>\$(212,000)</u>
<u>Petroleum Tank Cleanup</u>	<u>(25,000)</u>	<u>(32,000)</u>	<u>(57,000)</u>
<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>	<u>(446,000)</u>
<u>Total</u>	<u>\$(54,000)</u>	<u>\$(392,000)</u>	<u>\$(446,000)</u>

Sec. 2. **APPROPRIATIONS.**

The dollar amounts in the columns under "Appropriations" are added to or, if shown in parentheses, subtracted from appropriations enacted in Laws 2009, chapter 37, article 2, unless otherwise stated. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. The "first year" is fiscal year 2010. The "second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations, reductions in appropriations, cancellations of appropriations, and transfers of appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>DEPARTMENT OF COMMERCE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(54,000)</u>	<u>\$(392,000)</u>
<u>Appropriations by Fund</u>		
	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>110,000</u>	<u>(322,000)</u>
<u>Petroleum Tank Release Cleanup</u>	<u>(25,000)</u>	<u>(32,000)</u>
<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>
<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
Subd. 2. <u>Administrative Services</u>	<u>(66,000)</u>	<u>(126,000)</u>
Subd. 3. <u>Market Assurance</u>	<u>(124,000)</u>	<u>(196,000)</u>
Subd. 4. <u>Financial Institutions</u>	<u>400,000</u>	
<u>\$400,000 the first year is a onetime appropriation for accessing the national mortgage licensing system (NMLS) as required by the federal Secure and Fair Enforcement (SAFE) for Mortgage Licensing Act, United States Code, title 12, chapter 51.</u>		
Subd. 5. <u>Petroleum Tank Release Cleanup Board</u>	<u>(25,000)</u>	<u>(32,000)</u>
<u>These reductions are from the petroleum tank release cleanup fund.</u>		
Subd. 6. <u>Office of Energy Security</u>	<u>(239,000)</u>	<u>(38,000)</u>

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>(250,000)</u>	<u>-0-</u>
<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>

(a) \$100,000 the first year is a reduction in the appropriation for E85 cost-share grants.

(b) \$18,000 the first year is a reduction in the grant to the Board of Regents of the University of Minnesota for the Natural Resources and Research Institute at the University of Minnesota, Duluth, to develop statewide heat flow maps. This reduction is from the appropriation from the special revenue fund.

(c) \$31,000 the first year and \$38,000 the second year are reductions in funding of community energy technical assistance and outreach on renewable energy and energy efficiency, as described in Minnesota Statutes, section 216C.385. These reductions are from the appropriations from the special revenue fund.

(d) \$90,000 the first year is a reduction in the grant to the Board of Trustees of the Minnesota State Colleges and Universities for the International Renewable Energy Technology Institute (IRETI). This reduction is from the appropriation from the special revenue fund.

Sec. 4. CANCELLATIONS; GENERAL FUND

(a) Of the unexpended balance from previous appropriations from the general fund to the commissioner of commerce for E85 cost-share grants, \$350,000 is canceled.

(b) Of the unexpended balance from the appropriation from the general fund to the commissioner of commerce for the renewable hydrogen initiative in Minnesota Statutes, section 216B.813, \$550,000 is canceled.

Sec. 5. CANCELLATIONS; SPECIAL REVENUE FUND

(a) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2007, chapter 57, article 2, section 3, subdivision 6, for biogas recovery grants, \$250,000 is canceled.

(b) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2007, chapter 57, article 2, section 3, subdivision 6, for automotive research grants, \$39,000 is canceled.

(c) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2007, chapter 57, article 2, section 3, subdivision 6, for the hydrogen road map, \$50,000 is canceled.

(d) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2007, chapter 57, article 2, section 3, subdivision 6, for renewable energy grants, \$40,000 is canceled.

(e) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2008, chapter 363, article 6, section 3, subdivision 4, for green economy and manufacturing, \$8,000 is canceled.

(f) Of the unexpended balance from the appropriation from the special revenue fund to the commissioner of commerce in Laws 2008, chapter 340, section 5, for studies and activities associated with the legislative greenhouse gas accord advisory group, \$13,000 is canceled.

Sec. 6. TRANSFER; PETROLEUM TANK RELEASE CLEANUP FUND

Before June 30, 2010, the commissioner of management and budget shall transfer \$1,969,000 to the general fund. After July 1, 2010, and before June 30, 2011, the commissioner of management and budget shall transfer \$1,032,000 to the general fund. These transfers are from the petroleum tank release cleanup fund established in Minnesota Statutes, chapter 115C.

Sec. 7. TRANSFERS; SPECIAL REVENUE FUND

(a) For the purposes of this section, "commissioner" means the commissioner of management and budget.

(b) In the first year, the commissioner shall transfer \$3,066,000 from the special revenue fund to the general fund. In the second year, the commissioner shall transfer \$2,102,000 from the special revenue fund to the general fund. The transfers must be from the following appropriation reductions and accounts within the special revenue fund:

(1) \$539,000 the first year and \$38,000 the second year are from the special revenue fund appropriations reductions and cancellations in this article;

(2) \$246,000 the first year and \$270,000 the second year are from the telecommunications access Minnesota fund established in Minnesota Statutes, section 237.52;

(3) \$238,000 the first year is from the assessments collected under Minnesota Statutes, section 216C.052, for the reliability administrator;

(4) \$100,000 the first year and \$100,000 the second year are from the Department of Commerce technology account established in Minnesota Statutes, section 45.24;

(5) \$697,000 the first year and \$622,000 the second year are from the energy and conservation account established in Minnesota Statutes, section 216B.241. Of this amount, (i) \$100,000 the first year and \$17,000 the second year are from the assessments for technical assistance in Minnesota Statutes, section 216B.241, subdivision 1d; (ii) \$575,000 the first year and \$575,000 the second year are from the assessments for applied research and development grants in Minnesota Statutes, section 216B.241, subdivision 1e; and (iii) \$22,000 the first year and \$30,000 the second year are from the assessment for facilities energy efficiency in Minnesota Statutes, section 216B.241, subdivision 1f;

(6) \$64,000 the first year and \$48,000 the second year are from the insurance fraud prevention account established in Minnesota Statutes, section 45.0135;

(7) \$420,000 the first year and \$420,000 the second year are from the automobile theft prevention account established in Minnesota Statutes, section 168A.40;

(8) \$49,000 the first year and \$5,000 the second year are from the real estate education, research and recovery fund established in Minnesota Statutes, section 82.43;

(9) \$100,000 the first year is from the consumer education account established in Minnesota Statutes, section 58.10;

(10) \$11,000 the first year and \$15,000 the second year are from the fees and assessments collected under Minnesota Statutes, section 216E.18;

(11) the remaining balance in the first year, estimated to be \$19,000, is from the routing of certain pipelines under Minnesota Statutes, section 216G.02;

(12) \$4,000 the first year and \$9,000 the second year are from the joint exercise of powers agreements with the Department of Health for regulating health maintenance organizations;

(13) \$75,000 the first year and \$75,000 the second year are from the liquefied petroleum gas account established in Minnesota Statutes, section 239.785; and

(14) \$500,000 the first year and \$500,000 the second year are from the telephone assistance fund established in Minnesota Statutes, section 237.701.

Sec. 8. **TRANSFER; ASSIGNED RISK PLAN**

By June 30, 2010, the commissioner of management and budget shall transfer \$15,000,000 in assets of the workers' compensation assigned risk plan created under Minnesota Statutes, section 79.252, to the general fund.

Sec. 9. Minnesota Statutes 2009 Supplement, section 45.30, subdivision 6, is amended to read:

Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner in advance. A course that is required by federal criteria or a reciprocity agreement to receive a substantive review will be approved or disapproved on the basis of its compliance with the provisions of laws and rules relating to the appropriate industry. At the commissioner's discretion, a course that is not required by federal criteria or a reciprocity agreement to receive a substantive review may be approved based on a qualified provider's certification on a form specified by the commissioner that the course complies with the provisions of this chapter and the laws and rules relating to the appropriate industry. For the purposes of this section, a "qualified provider" is one of the following: (1) a degree-granting institution of higher learning located within this state; (2) a private school licensed by the Minnesota Office of Higher Education; or (3) when conducting courses for its members, a bona fide trade association that staffs and maintains in this state a physical location that contains course and student records and that has done so for not less than three years. The commissioner may review any approved course and may cancel its approval with regard to all future offerings. The commissioner must make the final determination as to accreditation and assignment of credit hours for courses. Courses must be at least one hour in length, except courses for real estate appraisers must be at least two hours in length.

~~Individuals wishing to receive credit for continuing education courses that have not been previously approved may submit the course information for approval. Courses must be in compliance with the laws and rules governing the types of courses that will and will not be approved.~~

Approval will not include time spent on meals or other unrelated activities.

(b) Courses must be submitted at least 30 days before the initial proposed course offering.

(c) Approval must be granted for a subsequent offering of identical continuing education courses without requiring a new application. The commissioner must deny future offerings of courses if they are found not to be in compliance with the laws relating to course approval.

(d) When either the content of an approved course or its method of instruction changes, the course is no longer approved for license education credit. A new application must be submitted for the changed course if the education provider intends to offer it for license education credit.

Sec. 10. Minnesota Statutes 2008, section 80A.46, is amended to read:

80A.46 SECTION 202; EXEMPT TRANSACTIONS.

The following transactions are exempt from the requirements of sections 80A.49 through 80A.54, except 80A.50, paragraph (a), clause (3), and 80A.71:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(13) a sale or offer to sell to:

(A) an institutional investor;

(B) an accredited investor;

(C) a federal covered investment adviser; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(19) a rescission offer, sale, or purchase under section 80A.77;

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

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

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

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

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

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

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

(22) a transaction involving:

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

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

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

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

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

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

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

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

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

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

Sec. 11. Minnesota Statutes 2008, section 80A.65, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.54, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of ~~1/20~~ 1/10 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the administrator, the issuer shall submit an amended notice filing to the administrator under section 80A.50, together with a fee of ~~1/20~~ 1/10 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the administrator as provided in this section and section 80A.50. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Fees collected under this subdivision are exempted under section 16A.1285, subdivision 2.

Sec. 12. Laws 2009, chapter 37, article 2, section 13, is amended to read:

Sec. 13. **APPROPRIATIONS; CANCELLATIONS.**

(a) The remaining balance of the fiscal year 2009 special revenue fund appropriation for the Green Jobs Task Force under Laws 2008, chapter 363, article 6, section 3, subdivision 4, is transferred and appropriated to the commissioner of employment and economic development for the purposes of green enterprise assistance under Minnesota Statutes, section 116J.438. This appropriation is available until spent.

(b) The unencumbered balance of the fiscal year 2008 appropriation to the commissioner of commerce for the rural and energy development revolving loan fund under Laws 2007, chapter 57, article 2, section 3, subdivision 6, is canceled and reappropriated to the commissioner of commerce as follows:

(1) \$1,500,000 is for a grant to the Board of Trustees of the Minnesota State Colleges and Universities for the International Renewable Energy Technology Institute (IRETI) to be located at Minnesota State University, Mankato, as a public and private partnership to support applied research in renewable energy and energy efficiency to aid in the transfer of technology from Sweden to Minnesota and to support technology commercialization from companies located in Minnesota and throughout the world; and

(2) the remaining balance is for a grant to the Board of Regents of the University of Minnesota for the initiative for renewable energy and the environment to fund start up costs related to a national solar testing and certification laboratory to test, rate, and certify the performance of equipment and devices that utilize solar energy for heating and cooling air and water and for generating electricity.

This appropriation is available until expended.

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

Sec. 13. **ASSESSMENT.**

(a) The commissioner of commerce 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.

(b) 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.

(c) This section expires December 1, 2010.

ARTICLE 5

AGRICULTURE

Section 1. **APPROPRIATIONS.**

Unless otherwise stated, the sums shown in the columns marked "Appropriations" are added to, or if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 2. <u>AGRICULTURE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(1,895,000)</u>	<u>\$(3,411,000)</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Protection Services(168,000)(1,626,000)

These reductions include elimination of noncrop invasive species programs and efforts including gypsy moth and emerald ash borer.

Subd. 3. Agricultural Marketing and Development(127,000)(8,000)

\$6,000 in 2010 is a reduction for grants to farmers for demonstration projects involving sustainable agriculture, as authorized in Minnesota Statutes, section 17.116.

\$113,000 in 2010 is a reduction from Laws 2006, chapter 282, article 10, section 4, for the agricultural best management program.

Subd. 4. Bioenergy and Value-Added Agriculture(1,102,000)(1,153,000)

\$1,102,000 in 2010 and \$1,153,000 in 2011 are reductions from the appropriation for ethanol producer payments. These are onetime reductions.

Subd. 5. Administration and Financial Assistance(498,000)(624,000)

\$23,000 in 2010 and \$52,000 in 2011 are reductions from the appropriation for the dairy development and profitability enhancement and dairy business planning grant programs established under Laws 1997, chapter 216, section 7, subdivision 2, and Laws 2001, First Special Session chapter 2, section 9, subdivision 2.

\$1,000 in 2011 is a reduction from the appropriation for a grant to the Minnesota Livestock Breeders Association.

\$15,000 in 2011 is a reduction from the appropriation for a grant to the Minnesota Agricultural Education and Leadership Council.

\$4,000 in 2011 is a reduction from the appropriation for the Northern Crops Institute.

\$4,000 in 2010 and \$5,000 in 2011 are reductions from the appropriation for grants to the Minnesota Turf Seed Council for basic and applied research on the improved production of forage and turf seed related to new and improved varieties.

\$3,000 in 2010 and \$4,000 in 2011 are reductions from the appropriation for grants to the Minnesota Turf Seed Council for basic and applied agronomic research on native plants including plant breeding, nutrient management, pest management, disease management yield, and viability.

\$60,000 in 2010 is a reduction from the appropriation for the agricultural growth, research, and innovation program.

\$8,000 in 2011 is a reduction from the appropriation for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.

\$1,000 in 2011 is a reduction from the appropriation for a grant to the Minnesota Horticultural Society.

\$4,000 in 2010 is a reduction from the appropriation for transfer to the University of Minnesota Extension Service for farm-to-school grants to school districts in Minneapolis, Moorhead, White Earth, and Willmar.

\$300,000 in 2010 and \$300,000 in 2011 are reductions due to efficiencies and other cost savings realized by various methods including, but not limited to, renegotiating leases and other contracts and resource reorganization or consolidation within the department or in conjunction with other public entities. The commissioner may allocate these reductions to programs. If the commissioner cannot realize \$300,000 in savings in each fiscal year from these methods, the commissioner shall achieve the reductions required under this provision by eliminating employees in the unclassified service or reducing the department's operations and maintenance budget.

Subd. 6. Transfers In

Notwithstanding any other law to the contrary, the commissioner of management and budget shall transfer \$405,000 from the agricultural fund to the general fund by July 15, 2010. By July 15, 2011, the commissioner of management and budget will transfer \$629,000 from the agricultural fund to the general fund.

Notwithstanding any other law to the contrary, the commissioner of management and budget shall transfer \$6,000 from the miscellaneous special revenue fund to the general fund by July 15, 2010. By July 15, 2011, the commissioner of management and budget shall transfer \$6,000 from the miscellaneous special revenue fund to the general fund.

Sec. 3. BOARD OF ANIMAL HEALTH

\$(87,000)

\$(141,000)

\$87,000 in 2010 and \$141,000 in 2011 is from the appropriation for general operations.

Sec. 4. <u>AGRICULTURAL UTILIZATION RESEARCH INSTITUTE</u>	<u>\$(120,000)</u>	<u>\$(250,000)</u>
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Sec. 5. Minnesota Statutes 2008, section 18G.07, is amended to read:

18G.07 TREE CARE AND TREE TRIMMING COMPANY ~~REGISTRY~~ REGISTRATION.

Subdivision 1. **Creation of registry.** The commissioner shall maintain a list of all persons and companies that provide tree care or tree trimming services in Minnesota. All tree care providers, tree trimmers, and persons who remove trees, limbs, branches, brush, or shrubs for hire must ~~provide the following information to be registered by~~ be registered by the commissioner.

Subd. 1a. **Registration.** (a) Tree care or tree trimming companies must register annually by providing the following to the commissioner:

(1) accurate and up-to-date business name, address, and telephone number;

(2) a complete list of all Minnesota counties in which they work; and

~~(3) a complete list of persons in the business who are certified by the International Society of Arborists a nonrefundable fee of \$25 for initial application or renewing basic registration.~~

(b) Registration expires December 31, must be renewed annually, and the fee remitted by January 31 of the year for which it is issued. In addition, a penalty of ten percent of the fee due must be charged for each month, or portion of a month, that the fee is delinquent up to a maximum of 30 percent for any application for renewal postmarked after December 31.

Subd. 2. **Information dissemination.** The commissioner shall provide registered tree care companies with information and data regarding any existing or potential regulated forest pest infestations within the state.

Subd. 3. **Violation.** It is unlawful for a person to provide tree care or tree trimming services in Minnesota for hire without being registered with the commissioner.

Sec. 6. Laws 2007, chapter 45, article 1, section 3, subdivision 4, as amended by Laws 2008, chapter 297, article 1, section 64; and Laws 2008, chapter 363, article 7, section 6, is amended to read:

Subd. 4. Bioenergy and Value-Added Agricultural Products	19,918,000	15,168,000
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\$15,168,000 the first year and \$15,168,000 the second year are for ethanol producer payments under Minnesota Statutes, section 41A.09. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make payments on a pro rata basis. If the appropriation exceeds the total amount for which all producers are eligible in a fiscal year for scheduled payments and for deficiencies in payments during previous fiscal years, the balance in the appropriation is available to the commissioner for value-added agricultural programs including the value-added agricultural product processing and marketing grant program under Minnesota Statutes, section 17.101, subdivision 5. The appropriation remains available until spent.

\$3,000,000 the first year is for grants to bioenergy projects. The NextGen Energy Board shall make recommendations to the commissioner on grants for owners of Minnesota facilities producing bioenergy, organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse stands of prairie plants and other perennials for bioenergy systems, or certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic material via gasification or other processes. The board must give priority to a bioenergy facility that is at least 60 percent owned and controlled by farmers, as defined in Minnesota Statutes, section 500.24, subdivision 2, paragraph (n), or natural persons residing in the county or counties contiguous to where the facility is located. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy production or \$1,000,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The board shall make a good faith effort to select projects that have merit and when taken together represent a variety of bioenergy technologies, biomass feedstocks, and geographic regions of the state. Projects must have a qualified engineer certification on the technology and fuel source. Grantees shall provide reports at the request of the commissioner and must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable. No later than February 1, 2009, the commissioner shall report on the projects funded under this appropriation to the house and senate committees with jurisdiction over agriculture finance. The commissioner's costs in administering the program may be paid from the appropriation. ~~Any unencumbered balance does not cancel at the end of the first year and is available in the second year~~ This appropriation is available until June 30, 2011.

\$200,000 the first year is for a grant to the Minnesota Turf Seed Council for basic and applied agronomic research on native plants, including plant breeding, nutrient management, pest management, disease management, yield, and viability. The grant recipient may subcontract with a qualified third party for some or all of the basic or applied research. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to a joint venture combined heat and power energy facility located in Scott or LeSueur County for the creation of a centrally located biomass fuel supply depot

with the capability of unloading, processing, testing, scaling, and storing renewable biomass fuels. The grant must be matched by at least \$3 of nonstate funds for every \$1 of state funds. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$300,000 the first year is for a grant to the Bois Forte Band of Chippewa for a feasibility study of a renewable energy biofuels demonstration facility on the Bois Forte Reservation in St. Louis and Koochiching Counties. The grant shall be used by the Bois Forte Band to conduct a detailed feasibility study of the economic and technical viability of developing a multistream renewable energy biofuels demonstration facility on Bois Forte Reservation land to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$300,000 the first year is for a grant to the White Earth Band of Chippewa for a feasibility study of a renewable energy biofuels production, research, and production facility on the White Earth Reservation in Mahnommen County. The grant must be used by the White Earth Band and the University of Minnesota to conduct a detailed feasibility study of the economic and technical viability of (1) developing a multistream renewable energy biofuels demonstration facility on White Earth Reservation land to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy, and (2) developing, harvesting, and marketing native prairie plants and seeds for bioenergy production. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to the Elk River Economic Development Authority for upfront engineering and a feasibility study of the Elk River renewable fuels facility. The facility must use a plasma gasification process to convert primarily cellulosic material, but may also use plastics and other components from municipal solid waste, as feedstock for the production of methanol for use in biodiesel production facilities. Any unencumbered balance in fiscal year 2008 does not cancel but is available for fiscal year 2009. Notwithstanding Minnesota Statutes, section

16A.285, the agency must not transfer this appropriation. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to Chisago County to conduct a detailed feasibility study of the economic and technical viability of developing a multistream renewable energy biofuels demonstration facility in Chisago, Isanti, or Pine County to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy. Chisago County may expend funds to Isanti and Pine Counties and the University of Minnesota for any costs incurred as part of the study. The feasibility study must consider the capacity of: (1) the seed bank at Wild River State Park to expand the existing prairie grass, woody biomass, and cellulosic material resources in Chisago, Isanti, and Pine Counties; (2) willing and interested landowners in Chisago, Isanti, and Pine Counties to grow cellulosic materials; and (3) the Minnesota Conservation Corps, the sentence to serve program, and other existing workforce programs in east central Minnesota to contribute labor to these efforts. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

Sec. 7. Laws 2007, chapter 45, article 1, section 3, subdivision 5, as amended by Laws 2008, chapter 297, article 1, section 65, is amended to read:

Subd. 5. Administration and Financial Assistance

7,338,000

6,751,000

\$1,005,000 the first year and \$1,005,000 the second year are for continuation of the dairy development and profitability enhancement and dairy business planning grant programs established under Laws 1997, chapter 216, section 7, subdivision 2, and Laws 2001, First Special Session chapter 2, section 9, subdivision 2. The commissioner may allocate the available sums among permissible activities, including efforts to improve the quality of milk produced in the state in the proportions that the commissioner deems most beneficial to Minnesota's dairy farmers. The commissioner must submit a work plan detailing plans for expenditures under this program to the chairs of the house and senate committees dealing with agricultural policy and budget on or before the start of each fiscal year. If significant changes are made to the plans in the course of the year, the commissioner must notify the chairs.

\$50,000 the first year and \$50,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment.

\$19,000 the first year and \$19,000 the second year are for a grant to the Minnesota Livestock Breeders Association.

\$250,000 the first year and \$250,000 the second year are for grants to the Minnesota Agricultural Education Leadership Council for programs of the council under Minnesota Statutes, chapter 41D.

\$600,000 the first year is for grants for fertilizer research as awarded by the Minnesota Agricultural Fertilizer Research and Education Council under Minnesota Statutes, section 18C.71. The amount available to the commissioner pursuant to Minnesota Statutes, section 18C.70, subdivision 2, for administration of this activity is available until February 1, 2009, by which time the commissioner shall report to the house and senate committees with jurisdiction over agriculture finance. The report must include the progress and outcome of funded projects as well as the sentiment of the council concerning the need for additional research funded through an industry checkoff fee. The amount available for grants is available until June 30, 2011.

\$465,000 the first year and \$465,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations shall be disbursed not later than July 15 of each year. These payments are the amount of aid owed by the state for an annual fair held in the previous calendar year.

\$65,000 the first year and \$65,000 the second year are for annual grants to the Minnesota Turf Seed Council for basic and applied research on the improved production of forage and turf seed related to new and improved varieties. The grant recipient may subcontract with a qualified third party for some or all of the basic and applied research.

\$500,000 the first year and \$500,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's six Second Harvest food banks for the purchase of milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Second Harvest food bank serving Minnesota according to the formula used in the distribution of United States Department of Agriculture commodities under The Emergency Food Assistance Program (TEFAP). Second Harvest Heartland must submit quarterly reports to the commissioner on forms prescribed by the

commissioner. The reports must include, but are not limited to, information on the expenditure of funds, the amount of milk purchased, and the organizations to which the milk was distributed. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank receiving money from this appropriation may use up to two percent of the grant for administrative expenses.

\$100,000 the first year and \$100,000 the second year are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.

\$18,000 the first year and \$18,000 the second year are for grants to the Minnesota Horticultural Society.

\$50,000 is for a grant to the University of Minnesota, Department of Horticultural Science, Enology Laboratory, to upgrade and purchase instrumentation to allow rapid and accurate measurement of enology components. This is a onetime appropriation and is available until expended.

Sec. 8. Laws 2009, chapter 94, article 1, section 3, subdivision 5, is amended to read:

Subd. 5. **Administration and Financial Assistance** 8,177,000 7,037,000

Appropriations by Fund

	2010	2011
General	7,377,000	6,237,000
Agricultural	800,000	800,000

\$780,000 the first year and \$755,000 the second year are for continuation of the dairy development and profitability enhancement and dairy business planning grant programs established under Laws 1997, chapter 216, section 7, subdivision 2, and Laws 2001, First Special Session chapter 2, section 9, subdivision 2. The commissioner may allocate the available sums among permissible activities, including efforts to improve the quality of milk produced in the state in the proportions that the commissioner deems most beneficial to Minnesota's dairy farmers. The commissioner must submit a work plan detailing plans for expenditures under this program to the chairs of the house of representatives and senate committees dealing with agricultural policy and budget on or before the start of each fiscal year. If significant changes are made to the plans in the course of the year, the commissioner must notify the chairs.

\$50,000 the first year and \$50,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment.

\$19,000 the first year and \$19,000 the second year are for a grant to the Minnesota Livestock Breeders Association.

\$250,000 the first year and \$250,000 the second year are for grants to the Minnesota Agricultural Education and Leadership Council for programs of the council under Minnesota Statutes, chapter 41D.

\$474,000 the first year and \$474,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations shall be disbursed no later than July 15 of each year. These payments are the amount of aid from the state for an annual fair held in the previous calendar year.

\$1,000 the first year and \$1,000 the second year are for grants to the Minnesota State Poultry Association.

\$65,000 the first year and \$65,000 the second year are for annual grants to the Minnesota Turf Seed Council for basic and applied research on the improved production of forage and turf seed related to new and improved varieties. The grant recipient may subcontract with a qualified third party for some or all of the basic and applied research.

\$50,000 the first year and \$50,000 the second year are for annual grants to the Minnesota Turf Seed Council for basic and applied agronomic research on native plants, including plant breeding, nutrient management, pest management, disease management, yield, and viability. The grant recipient may subcontract with a qualified third party for some or all of the basic or applied research. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2011, must report to the house of representatives and senate committees with jurisdiction over agriculture finance.

\$500,000 the first year and \$500,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's six Second Harvest food banks for the purchase of milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Second Harvest food bank serving Minnesota according to the formula used in the distribution of United States Department of

Agriculture commodities under The Emergency Food Assistance Program (TEFAP). Second Harvest Heartland must submit quarterly reports to the commissioner on forms prescribed by the commissioner. The reports must include, but are not limited to, information on the expenditure of funds, the amount of milk purchased, and the organizations to which the milk was distributed. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank receiving money from this appropriation may use up to two percent of the grant for administrative expenses.

\$1,000,000 the first year is for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12. Priority must be given to livestock programs under Minnesota Statutes, section 17.118. Priority for livestock grants shall be given to persons who are beginning livestock producers and livestock producers who are rebuilding after a disaster that was due to natural or other unintended conditions. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available in the second year.

\$100,000 the first year and \$100,000 the second year are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.

\$18,000 the first year and \$18,000 the second year are for grants to the Minnesota Horticultural Society.

Notwithstanding Minnesota Statutes, section 18C.131, \$800,000 the first year and \$800,000 the second year are from the fertilizer account in the agricultural fund for grants for fertilizer research as awarded by the Minnesota Agricultural Fertilizer Research and Education Council under Minnesota Statutes, section 18C.71. The amount appropriated in either fiscal year must not exceed 57 percent of the inspection fee revenue collected under Minnesota Statutes, section 18C.425, subdivision 6, during the previous fiscal year. No later than February 1, 2011, the commissioner shall report to the legislative committees with jurisdiction over agriculture finance. The report must include the progress and outcome of funded projects as well as the sentiment of the council concerning the need for additional research funds. The appropriation for the first year is available until June 30, 2013, and the appropriation for the second year is available until June 30, 2014.

\$60,000 the first year is for a transfer to the University of Minnesota Extension Service for farm-to-school grants to school districts in Minneapolis, Moorhead, White Earth, and Willmar.

*\$30,000 is for star farms program development. The commissioner, in consultation with other state and local agencies, farm groups, conservation groups, legislators, and other interested persons, shall develop a proposal for a star farms program. By January 15, 2010, the commissioner shall submit the proposal to the legislative committees and divisions with jurisdiction over agriculture and environmental policy and finance. This is a onetime appropriation. * (The preceding paragraph beginning "\$30,000 is for star farms program" was indicated as vetoed by the governor.)*

\$25,000 the first year is for the administration of the Feeding Minnesota Task Force, under new Minnesota Statutes, section 31.97. This is a onetime appropriation.

ARTICLE 6

VETERANS AFFAIRS

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to, or if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 3, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>
<u>\$-0-</u>	<u>\$250,000</u>

Sec. 2. VETERANS AFFAIRS

\$250,000 in fiscal year 2011 is for a grant to the Military Assistance Council for Veterans to provide assistance throughout Minnesota to veterans and their families who are homeless or in danger of homelessness, including housing, utility, employment, and legal assistance, according to guidelines established by the commissioner. In order to avoid duplication of services, the commissioner must ensure that this assistance will be coordinated with all other available programs for veterans. This is a onetime appropriation.

Of the appropriation in Laws 2009, chapter 94, article 3, section 2, subdivision 2:

(1) \$100,000 in fiscal year 2011 is for compensation for honor guards at the funerals of veterans in accordance with the program established in Minnesota Statutes, section 197.231; and

(2) \$200,000 in fiscal year 2010 and \$200,000 in fiscal year 2011 are from the Support our Troops account for an increase in the CORE grant program.

Sec. 3. **VETERANS HOMES**

Of the appropriation in Laws 2009, chapter 94, article 3, section 2, subdivision 3, or from funds carried forward from fiscal year 2009:

(1) \$1,000,000 in fiscal year 2011 is for operational expenses related to the 21-bed addition at the Fergus Falls Veterans Home; and

(2) \$113,000 in fiscal year 2011 is for start-up expenses related to the opening of an adult daycare facility at the Minneapolis Veterans Home.

Sec. 4. **REPORT TO THE LEGISLATURE**

By January 15, 2011, the commissioner shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over veterans affairs policy and finance regarding any unexpended appropriations, revenues, or other actual or projected carryover money provided directly or indirectly through any provision in this article.

Sec. 5. Minnesota Statutes 2009 Supplement, section 190.19, subdivision 2a, is amended to read:

Subd. 2a. **Uses; veterans.** Money appropriated to the Department of Veterans Affairs from the Minnesota "Support Our Troops" account may be used for:

(1) grants to veterans service organizations;

(2) outreach to underserved veterans; ~~and~~

(3) providing services and programs for veterans and their families; and

(4) transfers to the vehicle services account for Gold Star license plates under section 168.1253.

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

Sec. 6. Minnesota Statutes 2009 Supplement, section 198.003, subdivision 4a, is amended to read:

Subd. 4a. **Federal funding.** The commissioner ~~is authorized to~~ may apply for ~~and~~ accept, and spend federal funding for purposes of this section.

Sec. 7. Laws 2009, chapter 94, article 3, section 2, subdivision 3, is amended to read:

Subd. 3. **Veterans Homes** 43,673,000 43,916,000

Veterans Homes Special Revenue Account. The general fund appropriations made to the department may be transferred to a veterans homes special revenue account in the special revenue fund in the same manner as other receipts are deposited according to Minnesota Statutes, section 198.34, and are appropriated to the department for the operation of veterans homes facilities and programs.

Repair and Betterment. Of this appropriation, \$1,000,000 in fiscal year 2010 and \$500,000 in fiscal year 2011 are to be used for repair, maintenance, rehabilitation, and betterment activities at facilities statewide.

Hastings Veterans Home. \$220,000 each year is for increases in the mental health program at the Hastings Veterans Home.

~~**Food.** \$92,000 in fiscal year 2010 and \$189,000 in fiscal year 2011 are for increases in food costs at the Minnesota veterans homes.~~

~~**Pharmaceuticals.** \$287,000 in fiscal year 2010 and \$617,000 in fiscal year 2011 are for increases in pharmaceutical costs.~~

~~**Fuel and Utilities.** \$277,000 in fiscal year 2010 and \$593,000 in fiscal year 2011 are for increases in fuel and utility costs at the Minnesota veterans homes.~~

Medicare Part D. \$141,000 in fiscal year 2010 and \$141,000 in fiscal year 2011 are for implementation of Minnesota Statutes, section 198.003, subdivision 7.

ARTICLE 7

ECONOMIC DEVELOPMENT

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(1,500,000)</u>	<u>\$(1,615,000)</u>	<u>\$(3,115,000)</u>
<u>Total</u>	<u>\$(1,500,000)</u>	<u>\$(1,615,000)</u>	<u>\$(3,115,000)</u>

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1, unless otherwise specified, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 3. **EMPLOYMENT AND ECONOMIC DEVELOPMENT**

<u>Subdivision 1. Total Appropriation</u>	<u>\$(1,500,000)</u>	<u>\$(1,847,000)</u>
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The appropriation reductions for each purpose are specified in the following subdivisions.

<u>Subd. 2. Business and Community Development</u>	<u>-0-</u>	<u>(690,000)</u>
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(a) \$100,000 in 2011 is from the appropriation for a grant to BioBusiness Alliance of Minnesota.

(b) \$15,000 in 2011 is from the appropriation for a grant to the Minnesota Inventors Congress.

(c) The general fund base for business and community development is \$6,551,000 in fiscal year 2012 and \$6,551,000 in fiscal year 2013.

<u>Subd. 3. Workforce Development</u>	<u>-0-</u>	<u>(857,000)</u>
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(a) \$400,000 in 2011 is from the appropriation for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17.

(b) \$119,000 in 2011 is from the appropriation for State Services for the Blind activities.

(c) \$67,000 in 2011 is from the appropriation for grants to Centers for Independent Living.

(d) \$222,000 in 2011 is from the appropriation for extended employment services under Minnesota Statutes, section 268A.15. Notwithstanding Minnesota Rules, parts 3300.2030 to 3300.2055, the commissioner may adjust contracts with eligible extended employment providers in order to achieve required reductions

through June 30, 2011. The general fund base for extended employment services is \$5,405,000 in fiscal year 2012 and \$5,405,000 in fiscal year 2013.

(e) \$49,000 in 2011 is from the appropriation for grants to programs that provide employment support services to persons with mental illness under Minnesota Statutes, sections 268A.13 and 268A.14. \$2,000 in each year is from the appropriation for administrative expenses.

(f) The general fund base for workforce development is \$29,181,000 in fiscal year 2012 and \$29,181,000 in fiscal year 2013.

Subd. 4. State-Funded Administration

-0-

(300,000)

The general fund base for state-funded administration is \$2,126,000 in fiscal year 2012 and \$2,126,000 in fiscal year 2013.

Subd. 5. Carryforward

(1,500,000)

-0-

The carryforward reduction is for the job skills partnership program.

Subd. 6. Transfers and Cancellations

(a) \$367,000 in 2010 and \$367,000 in 2011 are transferred from the contaminated cleanup grants appropriation in the petroleum tank release cleanup fund under Minnesota Statutes, section 115C.08, subdivision 4, to the general fund.

(b) \$80,000 in 2010 is transferred from the unemployment insurance state administration account in the special revenue fund under Minnesota Statutes, section 268.196, subdivision 1, to the general fund.

(c) \$160,000 in 2010 is transferred from the capital access program account in the special revenue fund under Minnesota Statutes, section 116J.876, subdivision 4, to the general fund.

(d) The remaining balance from the Laws 2007, chapter 135, article 1, section 3, appropriation for a grant to Le Sueur County is canceled.

Sec. 4. DEPARTMENT OF LABOR AND INDUSTRY; TRANSFERS

\$-0-

\$-0-

(a) By June 30, 2010, the commissioner of management and budget shall transfer \$700,000 from the contractor recovery account in the special revenue fund to the general fund.

(b) By June 30, 2010, the commissioner of management and budget shall transfer \$725,000 from the assigned risk safety account in the worker's compensation fund to the general fund.

Sec. 5. **BUREAU OF MEDIATION SERVICES** **\$-0-** **\$(53,000)**

(a) \$47,000 in 2011 is from the appropriation for mediation services.

(b) \$6,000 in 2011 is from the appropriation for labor management cooperation grants.

Sec. 6. **BOARD OF ACCOUNTANCY** **\$-0-** **\$-0-**

Sec. 7. **BOARD OF ARCHITECTURE, ENGINEERING, LAND SURVEYING, LANDSCAPE ARCHITECTURE, GEOSCIENCE, AND INTERIOR DESIGN** **\$-0-** **\$-0-**

Sec. 8. **BOARD OF COSMETOLOGIST EXAMINERS** **\$-0-** **\$225,000**

Sec. 9. **BOARD OF BARBER EXAMINERS** **\$-0-** **\$60,000**

Sec. 10. **COMBATIVE SPORTS COMMISSION** **\$-0-** **\$-0-**

Sec. 11. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

Subd. 2. **Business and Community Development** 8,980,000 **8,980,000**

Appropriations by Fund

General	7,941,000	7,941,000
Remediation	700,000	700,000
Workforce Development	339,000	339,000

(a) \$700,000 the first year and \$700,000 the second year are from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes, section 116J.554. This appropriation is available until expended.

(b) \$200,000 each year is from the general fund for a grant to WomenVenture for women's business development programs and for programs that encourage and assist women to enter nontraditional careers in the trades; manual and technical occupations; science, technology, engineering, and mathematics-related occupations; and green jobs. This appropriation may be matched dollar for dollar with any resources available from the federal government for these purposes with priority given to initiatives that have a goal of increasing by at least ten percent the number of women in occupations where women currently comprise less than 25 percent of the workforce. The appropriation is available until expended.

(c) \$105,000 each year is from the general fund and \$50,000 each year is from the workforce development fund for a grant to the Metropolitan Economic Development Association for continuing minority business development programs in the metropolitan area. This appropriation must be used for the sole purpose of providing free or reduced fee business consulting services to minority entrepreneurs and contractors.

(d)(1) \$500,000 each year is from the general fund for a grant to BioBusiness Alliance of Minnesota for bioscience business development programs to promote and position the state as a global leader in bioscience business activities. This appropriation is added to the department's base. These funds may be used to create, recruit, retain, and expand biobusiness activity in Minnesota; implement the destination 2025 statewide plan; update a statewide assessment of the bioscience industry and the competitive position of Minnesota-based bioscience businesses relative to other states and other nations; and develop and implement business and scenario-planning models to create, recruit, retain, and expand biobusiness activity in Minnesota.

(2) The BioBusiness Alliance must report each year by February 15 to the committees of the house of representatives and the senate having jurisdiction over bioscience industry activity in Minnesota on the use of funds; the number of bioscience businesses and jobs created, recruited, retained, or expanded in the state since the last reporting period; the competitive position of the biobusiness industry; and utilization rates and results of the business and scenario-planning models and outcomes resulting from utilization of the business and scenario-planning models.

(e)(1) Of the money available in the Minnesota Investment Fund, Minnesota Statutes, section 116J.8731, to the commissioner of the Department of Employment and Economic Development, up to \$3,000,000 is appropriated in fiscal year 2010 for a loan to an aircraft manufacturing and assembly company, associated with the aerospace industry, for equipment utilized to establish an aircraft completion center at the Minneapolis-St. Paul International Airport. The finishing center must use the state's vocational training programs designed specifically for aircraft maintenance training, and to the extent possible, work to recruit employees from these programs. The center must create at least 200 new manufacturing jobs within 24 months of receiving the loan, and create not less than 500 new manufacturing jobs over a five-year period in Minnesota.

(2) This loan is not subject to loan limitations under Minnesota Statutes, section 116J.8731, subdivision 5. Any match requirements under Minnesota Statutes, section 116J.8731, subdivision 3, may be made from current resources. This is a onetime appropriation and is effective the day following final enactment.

(f) \$65,000 each year is from the general fund for a grant to the Minnesota Inventors Congress, of which at least \$6,500 must be used for youth inventors.

(g) \$200,000 the first year and \$200,000 the second year are for the Office of Science and Technology. This is a onetime appropriation.

(h) \$500,000 the first year and \$500,000 the second year are for a grant to Enterprise Minnesota, Inc., for the small business growth acceleration program under Minnesota Statutes, section 116O.115. This is a onetime appropriation and is available until expended.

(i)(1) \$100,000 each year is from the workforce development fund for a grant under Minnesota Statutes, section 116J.421, to the Rural Policy and Development Center at St. Peter, Minnesota. The grant shall be used for research and policy analysis on emerging economic and social issues in rural Minnesota, to serve as a policy resource center for rural Minnesota communities, to encourage collaboration across higher education institutions, to provide interdisciplinary team approaches to research and problem-solving in rural communities, and to administer overall operations of the center.

(2) The grant shall be provided upon the condition that each state-appropriated dollar be matched with a nonstate dollar. Acceptable matching funds are nonstate contributions that the center has received and have not been used to match previous state grants. Any funds not spent the first year are available the second year.

(j) Notwithstanding Minnesota Statutes, section 268.18, subdivision 2, \$414,000 of funds collected for unemployment insurance administration under this subdivision is appropriated as follows: \$250,000 to Lake County for ice storm damage; \$64,000 is for the city of Green Isle for reimbursement of fire relief efforts and other expenses incurred as a result of the fire in the city of Green Isle; and \$100,000 is to develop the construction mitigation pilot program to make grants for up to five projects statewide available to local government units to mitigate the impacts of transportation construction on local small business. These are onetime appropriations and are available until expended.

(k) Up to \$10,000,000 is appropriated from the Minnesota minerals 21st century fund to the commissioner of Iron Range resources and rehabilitation to make ~~a grant grants~~ or forgivable ~~loan loans~~ to ~~a manufacturer~~ manufacturers of windmill blades, other renewable energy manufacturing, or biomass products at a facility facilities to be located within the taconite tax relief area defined in Minnesota Statutes, section 273.134. No match is required for the renewable energy manufacturing or biomass projects.

(l) \$1,000,000 is appropriated from the Minnesota minerals 21st century fund to the Board of Trustees of the Minnesota State Colleges and Universities for a grant to the Northeast Higher Education District for planning, design, and construction of classrooms and housing facilities for upper division students in the engineering program.

(m)(1) \$189,000 each year is appropriated from the workforce development fund for grants of \$63,000 to eligible organizations each year to assist in the development of entrepreneurs and small businesses. Each state grant dollar must be matched with \$1 of nonstate funds. Any balance in the first year does not cancel but is available in the second year.

(2) Three grants must be awarded to continue or to develop a program. One grant must be awarded to the Riverbend Center for Entrepreneurial Facilitation in Blue Earth County, and two to other organizations serving Faribault and Martin Counties. Grant recipients must report to the commissioner by February 1 of each year that the organization receives a grant with the number of customers served; the number of businesses started, stabilized, or expanded; the number of jobs created and retained; and business success rates. The commissioner must report to the house of representatives and senate committees with jurisdiction over economic development finance on the effectiveness of these programs for assisting in the development of entrepreneurs and small businesses.

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

Sec. 12. **APPROPRIATIONS MADE ONLY ONCE.**

If the appropriations made in this article are enacted more than once in the 2010 regular session, these appropriations must be given effect only once.

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

ARTICLE 8

HOUSING

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(2,297,000)</u>	<u>\$(2,603,000)</u>	<u>\$(4,900,000)</u>
<u>Total</u>	<u>\$(2,297,000)</u>	<u>\$(2,603,000)</u>	<u>\$(4,900,000)</u>

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 3. **HOUSING FINANCE AGENCY**

Subdivision 1. **Total Appropriation**

\$(2,297,000)

\$(2,603,000)

The amounts that may be spent or must be reduced for each purpose are specified in the following subdivisions.

Subd. 2. **Affordable Rental Investment Fund**

(2,061,000)

(1,603,000)

These reductions are from the appropriation for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b.

In fiscal year 2010, the Housing Finance Agency shall transfer \$2,061,000 from the affordable rental investment fund program in the housing development fund, to the general fund.

The base appropriation for the affordable rental investment fund program for fiscal years 2012 and 2013 is \$7,546,000 for each year.

Subd. 3. **Housing Rehabilitation**

(236,000)

(1,000,000)

These reductions are from the appropriation for the housing rehabilitation program under Minnesota Statutes, section 462A.05, subdivision 14, for rental housing developments.

In fiscal year 2010, the Housing Finance Agency shall transfer \$236,000 from the housing rehabilitation program in the housing development fund, to the general fund.

The base appropriation for the housing rehabilitation program for fiscal years 2012 and 2013 is \$3,287,000 for each year.

ARTICLE 9

PFA AND TOURISM

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(909,000)</u>	<u>\$(1,248,000)</u>	<u>\$(2,157,000)</u>

Sec. 2. **APPROPRIATIONS.**

The dollar amounts in the columns under "Appropriations" are added to, or, if shown in parentheses, subtracted from appropriations enacted in the 2009 regular legislative session. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>PUBLIC FACILITIES AUTHORITY</u>	<u>\$(11,000)</u>	<u>\$(7,000)</u>
Sec. 4. <u>EXPLORE MINNESOTA TOURISM</u>	<u>\$(311,000)</u>	<u>\$(313,000)</u>

(a) \$251,000 the first year and \$300,000 the second year are reductions to Explore Minnesota Tourism. Of the reduction in the first year, \$13,000 is a reduction in the carryforward from fiscal year 2009.

(b) \$2,000 the first year and \$2,000 the second year are reductions to the incentive grants program.

(c) \$11,000 the first year and \$11,000 the second year are reductions to the Minnesota Film and TV Board.

(d) \$47,000 the first year is a reduction to the grant to the Minnesota Film and TV Board for the film jobs production program under Minnesota Statutes, section 116U.26.

Sec. 5. <u>MINNESOTA HISTORICAL SOCIETY</u>	<u>\$(238,000)</u>	<u>\$(554,000)</u>
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(a) **Education and Outreach**

\$136,000 the first year and \$314,000 the second year are reductions to education and outreach.

(b) Preservation and Access

\$102,000 the first year and \$236,000 the second year are reductions to the preservation and access program.

(c) Minnesota International Center

\$1,000 the second year is a reduction to the Minnesota International Center.

(d) Minnesota Agricultural Interpretive Center

\$2,000 the second year is a reduction to the Minnesota Agricultural Interpretive Center.

(e) Hockey Hall of Fame Museum

\$1,000 the second year is a reduction to the Hockey Hall of Fame Museum.

Sec. 6. **BOARD OF THE ARTS****\$(284,000)****\$(284,000)****(a) Operations and Services**

\$21,000 the first year and \$21,000 the second year are reductions to operations and services.

(b) Grants Program

\$182,000 the first year and \$182,000 the second year are reductions to the grants program.

(c) Regional Arts Council

\$81,000 the first year and \$81,000 the second year are reductions to the Regional Arts Council.

Sec. 7. **MINNESOTA HUMANITIES CENTER****\$-0-****\$(7,000)**Sec. 8. **PUBLIC BROADCASTING****\$(65,000)****\$(83,000)**

(a) \$38,000 the first year and \$48,000 the second year are reductions to matching grants for public television.

(b) \$7,000 the first year and \$10,000 the second year are reductions to public television equipment grants.

(c) \$1,000 the second year is a reduction to the grant to the Twin Cities regional cable channel.

(d) \$9,000 the first year and \$9,000 the second year are reductions to the community service grants to public educational radio stations.

(e) \$3,000 the first year and \$3,000 the second year are reductions to the equipment grants to public educational radio stations.

(f) \$8,000 the first year and \$12,000 the second year are reductions to the equipment grants to Minnesota Public Radio, Inc.

Sec. 9. Minnesota Statutes 2008, section 116U.25, is amended to read:

116U.25 EXPLORE MINNESOTA TOURISM COUNCIL.

(a) The director shall be advised by the Explore Minnesota Tourism Council consisting of up to 28 voting members appointed by the governor for four-year terms, including:

(1) the director of Explore Minnesota Tourism who serves as the chair;

(2) eleven representatives of statewide associations representing bed and breakfast establishments, golf, festivals and events, counties, convention and visitor bureaus, lodging, resorts, trails, campgrounds, restaurants, and chambers of commerce;

(3) one representative from each of the ~~four~~ tourism marketing regions of the state as designated by the office;

(4) six representatives of the tourism business representing transportation, retail, travel agencies, tour operators, travel media, and convention facilities;

(5) one or more ex officio nonvoting members including at least one from the University of Minnesota Tourism Center;

(6) four legislators, two from each house, one each from the two largest political party caucuses in each house, appointed according to the rules of the respective houses; and

(7) other persons, if any, as designated from time to time by the governor.

(b) The council shall act to serve the broader interests of tourism in Minnesota by promoting activities that support, maintain, and expand the state's domestic and international travel market, thereby generating increased visitor expenditures, tax revenue, and employment.

(c) Filling of membership vacancies is as provided in section 15.059. The terms of one-half of the members shall be coterminous with the governor and the terms of the remaining one-half of the members shall end on the first Monday in January one year after the terms of the other members. Members may serve until their successors are appointed and qualify. Members are not compensated. A member may be reappointed.

(d) The council shall meet at least four times per year and at other times determined by the council. Notwithstanding section 15.059, the council does not expire.

(e) If compliance with section 13D.02 is impractical, the Explore Minnesota Tourism Council may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the council participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the council can hear clearly all discussion and testimony and all votes of members of the council and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the council is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(f) Each member of the council participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(g) If telephone or other electronic means is used to conduct a meeting, the council, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The council may require the person making such a connection to pay for documented marginal costs that the council incurs as a result of the additional connection.

(h) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the council shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (g). The timing and method of providing notice is governed by section 13D.04.

Sec. 10. Minnesota Statutes 2008, section 116U.26, is amended to read:

116U.26 FILM PRODUCTION JOBS PROGRAM.

(a) The film production jobs program is created. The program shall be operated by the Minnesota Film and TV Board with administrative oversight and control by the director of Explore Minnesota Tourism. The program shall make payment to producers of feature films, national television or Internet programs, documentaries, music videos, and commercials that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to the Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota that are directly attributable to the production in Minnesota of a film product.

The Minnesota Film and TV Board shall make recommendations to the director of Explore Minnesota Tourism about program payment, but the director has the authority to make the final determination on payments. The director's determination must be based on proper documentation of eligible production costs submitted for payments. No more than five percent of the funds appropriated for the program in any year may be expended for administration.

(b) For the purposes of this section:

(1) "production costs" means the cost of the following:

(i) a story and scenario to be used for a film;

(ii) salaries of talent, management, and labor, including payments to personal services corporations for the services of a performing artist;

(iii) set construction and operations, wardrobe, accessories, and related services;

(iv) photography, sound synchronization, lighting, and related services;

(v) editing and related services;

(vi) rental of facilities and equipment; or

(vii) other direct costs of producing the film in accordance with generally accepted entertainment industry practice; and

(2) "film" means a feature film, television or Internet show, documentary, music video, or television commercial, whether on film, video, or digital media. Film does not include news, current events, public programming, or a program that includes weather or market reports; a talk show; a production with respect to a questionnaire or contest; a sports event or sports activity; a gala presentation or awards show; a finished production that solicits funds; or a production for which the production company is required under United States Code, title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.

(c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board may make reimbursements of: (1) up to 20 percent of film production costs for films that locate production outside the metropolitan area, as defined in section 473.121, subdivision 2, or that incur production costs in excess of \$5,000,000 in Minnesota the metropolitan area within a 12-month period; or (2) up to 15 percent of film production costs for films that incur production costs of \$5,000,000 or less in the metropolitan area within a 12-month period.

ARTICLE 10

TRANSPORTATION

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, or reductions in appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$0</u>	<u>\$(5,711,000)</u>	<u>\$(5,711,000)</u>
<u>Trunk Highway</u>	<u>0</u>	<u>109,000,000</u>	<u>109,000,000</u>
<u>Total</u>	<u>\$0</u>	<u>\$103,289,000</u>	<u>\$103,289,000</u>

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 36, article 1, to the agencies and for the purposes specified in this article. The appropriations and reductions are from the trunk highway fund or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 **2011**

Sec. 3. **DEPARTMENT OF TRANSPORTATION**

Subdivision 1. **Total Appropriation**

\$0 **\$108,129,000**

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>0</u>	<u>(871,000)</u>
<u>Trunk Highway</u>	<u>0</u>	<u>109,000,000</u>

The amounts that may be spent or must be reduced for each purpose are specified in the following subdivisions.

Subd. 2. **Multimodal Systems**

(a) **Transit** 0 (821,000)

This reduction is from the appropriation from the general fund for transit assistance in Laws 2009, chapter 36, article 1, section 3, subdivision 2, paragraph (b).

The base appropriation from the general fund for fiscal years 2012 and 2013 is \$16,608,000 for each year.

(b) **Freight** 0 (50,000)

This reduction is from the appropriation from the general fund for freight and commercial vehicle operations in Laws 2009, chapter 36, article 1, section 3, subdivision 2, paragraph (d).

The base appropriation from the general fund for fiscal years 2012 and 2013 is \$315,000 for each year.

Subd. 3. **State Roads**

(a) **State Road Construction** 0 104,000,000

This appropriation is for state road construction, and is added to appropriations under Laws 2009, chapter 36, article 1, section 3, subdivision 3, paragraph (b), clause (2). This additional appropriation is funded by additional federal highway aid of \$104,000,000 above that specified in Laws 2009, chapter 36, article 1, section 3, subdivision 3, paragraph (b), clause (2). This is a onetime appropriation.

(b) Federal Emergency Relief Account05,000,000

This appropriation is for deposit in the trunk highway emergency relief account, as defined in Minnesota Statutes, section 161.04, subdivision 5, for the purposes of that account. This is a onetime appropriation.

Sec. 4. METROPOLITAN COUNCIL\$0\$(4,840,000)

This reduction is from the appropriation from the general fund for bus system operations in Laws 2009, chapter 36, article 1, section 4, subdivision 2.

The base appropriation from the general fund for fiscal years 2012 and 2013 is \$63,095,000 for each year.

Sec. 5. Minnesota Statutes 2008, section 161.04, is amended by adding a subdivision to read:

Subd. 5. **Trunk highway emergency relief account.** (a) The trunk highway emergency relief account is created in the trunk highway fund. Money in the account is appropriated to the commissioner to be used to fund relief activities related to an emergency, as defined in section 161.32, subdivision 3.

(b) Reimbursements by the Federal Highway Administration for emergency relief payments made from the trunk highway emergency relief account must be deposited into the account. Interest accrued on the account must be deposited into the account. Notwithstanding section 16A.28, money in the account is available until spent. If the balance of the account at the end of the fiscal year is greater than \$10,000,000, the amount above \$10,000,000 must be transferred to the trunk highway fund.

(c) By September 1, 2012, and in every subsequent even-numbered year by September 1, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance. The report must include the balance, as well as details of payments made from and deposits made to the trunk highway emergency relief account since the last report.

Sec. 6. 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 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 final enactment of this subdivision.

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

Sec. 7. **REPEALER.**

Minnesota Statutes 2008, sections 13.721, subdivision 4; and 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, and 18, are repealed.

ARTICLE 11

PUBLIC SAFETY

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
General	\$(7,397,000)	\$(15,279,000)	\$(22,676,000)
Special Revenue	\$(60,000)	\$879,000	\$819,000
Total	<u>\$(7,457,000)</u>	<u>\$(14,400,000)</u>	<u>\$(21,857,000)</u>

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 83, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>SUPREME COURT</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(455,000)</u>	<u>\$(889,000)</u>
<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
Subd. 2. <u>Supreme Court Operations</u>	(366,000)	(604,000)
Subd. 3. <u>Civil Legal Services</u>	(89,000)	(285,000)
Sec. 4. <u>COURT OF APPEALS</u>	<u>\$(57,000)</u>	<u>\$(253,000)</u>
Sec. 5. <u>TRIAL COURTS</u>	<u>\$(2,574,000)</u>	<u>\$(5,328,000)</u>

Existing drug courts shall be maintained at their current levels.

Sec. 6. <u>TAX COURT</u>	<u>\$(12,000)</u>	<u>\$(25,000)</u>
Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	<u>\$-0-</u>	<u>\$(2,000)</u>
Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	<u>\$(10,000)</u>	<u>\$(14,000)</u>
Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	<u>\$(325,000)</u>	<u>\$(1,493,000)</u>
Sec. 10. <u>DEPARTMENT OF PUBLIC SAFETY</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(907,000)</u>	<u>\$(114,000)</u>

Appropriations by Fund

<u>General</u>	<u>(907,000)</u>	<u>(1,114,000)</u>
<u>Special Revenue</u>	<u>-0-</u>	<u>1,000,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Emergency Management</u>	<u>(29,000)</u>	<u>1,543,000</u>
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\$1,600,000 in fiscal year 2011 is to provide a match for Federal Emergency Management Agency (FEMA) disaster assistance payments under Minnesota Statutes, section 12.221. This is a onetime appropriation.

Subd. 3. <u>Criminal Apprehension</u>	<u>(621,000)</u>	<u>(1,243,000)</u>
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Forensic Scientists

The commissioner may not eliminate or leave open positions for forensic lab scientists in order to balance the department's budget.

Subd. 4. <u>Fire Marshal</u>	<u>-0-</u>	<u>1,000,000</u>
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\$1,000,000 is a onetime appropriation for fire safety purposes as recommended by the Fire Service Advisory Committee.

Subd. 5. <u>Gambling and Alcohol Enforcement</u>	<u>(25,000)</u>	<u>(49,000)</u>
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Subd. 6. <u>Office of Justice Programs</u>	<u>(232,000)</u>	<u>(1,365,000)</u>
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Of the fiscal year 2011 reduction in this subdivision, funding for the following programs must not be reduced by more than two percent: (1) battered women's shelters and domestic violence programs; (2) general crime victim programs; (3) sexual assault victim programs; and (4) youth intervention programs. This two percent reduction is in addition to the three percent reduction in Laws 2009, chapter 83, article 1, section 10, subdivision 6.

Sec. 11. <u>PRIVATE DETECTIVE BOARD</u>	<u>\$(2,000)</u>	<u>\$(3,000)</u>
Sec. 12. <u>HUMAN RIGHTS</u>	<u>\$(59,000)</u>	<u>\$(103,000)</u>
Sec. 13. <u>CORRECTIONS</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(2,985,000)</u>	<u>\$(6,037,000)</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Correctional Institutions</u>	<u>(2,139,000)</u>	<u>(4,345,000)</u>
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This reduction may be applied agencywide.

The commissioner must not eliminate correctional officer positions, treatment, education, or reentry programs to achieve the mandated cost savings.

Subd. 3. <u>Community Services</u>	<u>(846,000)</u>	<u>(1,692,000)</u>
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(a) Community Corrections

If the commissioner of corrections determines reductions should be made to the Community Corrections Act formula, Department of Corrections contract counties, or county probation officers, the legislative intent of this reduction is that counties should reduce administrative expenses and executive salaries before direct services, such as probation services, are reduced.

(b) Sentence to Service

The commissioner must fund the equivalent of 25 percent of county sentence to service programs. The 25 percent must be calculated based on fiscal year 2010 sentence to service expenditures by counties.

Subd. 4. **Transfers**

Notwithstanding Minnesota Statutes, section 241.27, the commissioner shall transfer \$574,000 by June 30, 2010, and \$989,000 by June 30, 2011, from the Minnesota correctional industries revolving fund to the general fund. These transfers are onetime. These transfers are in addition to those in Laws 2009, chapter 83, article 1, section 14, subdivision 2, paragraph (g).

The commissioner shall transfer \$201,000 by June 30, 2010, and \$402,000 by June 30, 2011, from the special revenue fund to the general fund. These transfers are onetime.

Sec. 14. **SENTENCING GUIDELINES****\$(11,000)****\$(18,000)**

Sec. 15. Minnesota Statutes 2008, section 297I.06, subdivision 3, is amended to read:

Subd. 3. **Fire safety account, annual transfers, allocation.** A special account, to be known as the fire safety account, is created in the state treasury. The account consists of the proceeds under subdivisions 1 and 2. \$468,000 in fiscal year 2008, \$4,268,000 in fiscal year 2009, \$9,268,000 in fiscal year 2010, \$6,368,000 in fiscal year 2011, and ~~\$2,268,000~~ \$2,368,000 in each year thereafter is transferred from the fire safety account in the special revenue fund to the general fund to offset the loss of revenue caused by the repeal of the one-half of one percent tax on fire insurance premiums.

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

Sec. 16. Minnesota Statutes 2008, section 403.11, subdivision 1, is amended to read:

Subdivision 1. **Emergency telecommunications Public safety service fee; account.** (a) Each customer of a wireless or wire-line switched or packet-based telecommunications service provider connected to the public switched telephone network that furnishes service capable of originating a 911 emergency telephone call is assessed a fee based upon the number of wired or wireless telephone lines, or their equivalent, to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for 911 emergency telecommunications service; ~~to offset pay~~ administrative and staffing costs of the commissioner related to managing the 911 emergency telecommunications service program, including the salaries and benefits of department employees who support the program such as deputy commissioners, directors, and legislative liaisons; to make distributions provided for in section 403.113, and; to offset the costs, including administrative and staffing costs, incurred by the State Patrol Division of the Department of Public Safety in handling 911 emergency calls made from wireless phones; to fund law enforcement emergency response training reimbursement grants; to fund the collection, analysis, and maintenance of criminal evidence, records, and data; and for any other public safety purpose that relies upon, uses, or involves the efficient operation of the emergency telecommunications system in the state.

(b) Money remaining in the 911 emergency telecommunications service account after all other obligations are paid must not cancel and is carried forward to subsequent years and may be appropriated from time to time to the commissioner to provide financial assistance to counties for the improvement of local emergency telecommunications services. The improvements may include providing access to 911 service for telecommunications service subscribers currently without access and upgrading existing 911 service to include automatic number identification, local location identification, automatic location identification, and other improvements specified in revised county 911 plans approved by the commissioner.

(c) The fee may not be less than eight cents nor more than 65 cents a month until June 30, 2008, not less than eight cents nor more than 75 cents a month until June 30, 2009, not less than eight cents nor more than 85 cents a month until June 30, 2010, and not less than eight cents nor more than 95 cents a month on or after July 1, 2010, for each customer access line or other basic access service, including trunk equivalents as designated by the Public Utilities Commission for access charge purposes and including wireless telecommunications services. With the approval of the commissioner of management and budget, the commissioner of public safety shall establish the amount of the fee within the limits specified and inform the companies and carriers of the amount to be collected. When the revenue bonds authorized under section 403.27, subdivision 1, have been fully paid or defeased, the commissioner shall reduce the fee to reflect that debt service on the bonds is no longer needed. The commissioner shall provide companies and carriers a minimum of 45 days' notice of each fee change. The fee must be the same for all customers.

(d) The fee must be collected by each wireless or wire-line telecommunications service provider subject to the fee. Fees are payable to and must be submitted to the commissioner monthly before the 25th of each month following the month of collection, except that fees may be submitted quarterly if less than \$250 a month is due, or

annually if less than \$25 a month is due. Receipts must be deposited in the state treasury and credited to a 911 emergency telecommunications service account in the special revenue fund. The money in the account may only be used for 911 telecommunications services.

(e) This subdivision does not apply to customers of interexchange carriers.

(f) The installation and recurring charges for integrating wireless 911 calls into enhanced 911 systems are eligible for payment by the commissioner if the 911 service provider is included in the statewide design plan and the charges are made pursuant to contract.

(g) Competitive local exchanges carriers holding certificates of authority from the Public Utilities Commission are eligible to receive payment for recurring 911 services.

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

Sec. 17. Minnesota Statutes 2008, section 611A.32, subdivision 1, is amended to read:

Subdivision 1. **Grants awarded.** The commissioner shall award grants to programs which provide emergency shelter services to battered women and support services to battered women and domestic abuse victims and their children. The commissioner shall also award grants for training, technical assistance, and for the development and implementation of education programs to increase public awareness of the causes of battering, the solutions to preventing and ending domestic violence, and the problems faced by battered women and domestic abuse victims. Grants shall be awarded in a manner that ensures ~~that they are equitably distributed to programs serving metropolitan and nonmetropolitan populations~~ emergency shelter services and support services are available statewide. By July 1, 1995, community-based domestic abuse advocacy and support services programs must be established in every judicial assignment district.

Sec. 18. Minnesota Statutes 2008, section 611A.32, subdivision 2, is amended to read:

Subd. 2. **Applications.** Any public or private nonprofit agency may apply to the commissioner for a grant to provide emergency shelter services to battered women, support services to domestic abuse victims, or both, to battered women and their children. The application shall be submitted in a form approved by the commissioner by rule adopted under chapter 14, after consultation with the advisory council, and shall include:

(1) a proposal for the provision of emergency shelter services for battered women, support services for domestic abuse victims, or both, for battered women and their children;

(2) a proposed budget;

(3) evidence of financial need, including documentation on the retention of financial reserves and availability of additional funding sources;

~~(3)~~ (4) evidence of an ability to integrate into the proposed program the uniform method of data collection and program evaluation established under sections 611A.33 and 611A.34;

~~(4)~~ (5) evidence of an ability to represent the interests of battered women and domestic abuse victims and their children to local law enforcement agencies and courts, county welfare agencies, and local boards or departments of health;

~~(5)~~ (6) evidence of an ability to do outreach to unserved and underserved populations and to provide culturally and linguistically appropriate services; and

~~(6)~~ (7) any other content the commissioner may require by rule adopted under chapter 14, after considering the recommendations of the advisory council.

Programs which have been approved for grants in prior years may submit materials which indicate changes in items listed in clauses (1) to ~~(6)~~ (7), in order to qualify for renewal funding. Nothing in this subdivision may be construed to require programs to submit complete applications for each year of renewal funding.

Sec. 19. Minnesota Statutes 2008, section 626.8458, subdivision 5, is amended to read:

Subd. 5. **In-service training in police pursuits required.** The chief law enforcement officer of every state and local law enforcement agency shall provide in-service training in emergency vehicle operations and in the conduct of police pursuits to every peace officer and part-time peace officer employed by the agency who the chief law enforcement officer determines may be involved in a police pursuit given the officer's responsibilities. The training shall comply with learning objectives developed and approved by the board and shall consist of at least eight hours of classroom and skills-based training every ~~three~~ four years.

Sec. 20. **[631.426] SENTENCE TO SERVICE.**

Subdivision 1. **Programs.** A county or counties may establish and operate a sentence to service program to which judges, as an intermediate sanction pursuant to section 609.153, subdivision 1, may direct nondangerous offenders to work on community improvement projects under the close supervision of a crew leader.

Subd. 2. **Fees.** A sheriff supervising a sentence to service program may charge participants a fee to offset the cost of operating the program. Fees collected under this authority must be expended on the sentence to service program.

Subd. 3. **Reimbursement.** A county may bill entities that receive benefit from the sentence to service program a fee. Fees collected under this authority must be expended on the sentence to service program.

Subd. 4. **Financial responsibility.** The state shall reimburse counties the equivalent of 25 percent of the cost of operating a sentence to service program to the extent that funds are specifically appropriated for this purpose.

Sec. 21. Laws 2009, chapter 83, article 1, section 10, subdivision 4, is amended to read:

Subd. 4. Fire Marshal	8,125,000	8,125,000
	<u>15,025,000</u>	<u>13,125,000</u>

This appropriation is from the fire safety account in the special revenue fund.

Of this amount, ~~\$5,857,000 each~~ \$5,757,000 the first year and \$6,757,000 the second year ~~is are~~ is are for activities under Minnesota Statutes, section 299F.012, and ~~\$2,268,000 each~~ \$9,268,000 the first year and \$6,368,000 the second year ~~is are~~ is are for transfer to the general fund under Minnesota Statutes, section 297I.06, subdivision 3.

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

Sec. 22. Laws 2009, chapter 83, article 1, section 10, subdivision 7, is amended to read:

Subd. 7. Emergency Communication Networks	66,470,000	70,233,000
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This appropriation is from the state government special revenue fund for 911 emergency telecommunications services.

(a) **Public Safety Answering Points.** \$13,664,000 each year is to be distributed as provided in Minnesota Statutes, section 403.113, subdivision 2.

(b) **Medical Resource Communication Centers.** \$683,000 each year is for grants to the Minnesota Emergency Medical Services Regulatory Board for the Metro East and Metro West Medical Resource Communication Centers that were in operation before January 1, 2000.

(c) **ARMER Debt Service.** \$17,557,000 the first year and \$23,261,000 the second year are to the commissioner of finance to pay debt service on revenue bonds issued under Minnesota Statutes, section 403.275.

Any portion of this appropriation not needed to pay debt service in a fiscal year may be used by the commissioner of public safety to pay cash for any of the capital improvements for which bond proceeds were appropriated by Laws 2005, chapter 136, article 1, section 9, subdivision 8, or Laws 2007, chapter 54, article 1, section 10, subdivision 8.

(d) **Metropolitan Council Debt Service.** \$1,410,000 each year is to the commissioner of finance for payment to the Metropolitan Council for debt service on bonds issued under Minnesota Statutes, section 403.27.

(e) **ARMER State Backbone Operating Costs.** \$5,060,000 each year is to the commissioner of transportation for costs of maintaining and operating the statewide radio system backbone.

(f) **ARMER Improvements.** \$1,000,000 each year is for the Statewide Radio Board for costs of design, construction, maintenance of, and improvements to those elements of the statewide public safety radio and communication system that support mutual aid communications and emergency medical services or provide enhancement of public safety communication interoperability.

(g) **Next Generation 911.** \$3,431,000 the first year and \$6,490,000 the second year are to replace the current system with the Next Generation Internet Protocol (IP) based network. The base level of funding for fiscal year 2012 shall be \$2,965,000.

(h) **Grants to Local Government.** \$5,000,000 the first year is for grants to local units of government to assist with the transition to the ARMER system. This appropriation is available until June 30, 2012. Any portion of this appropriation that is not spent before the date of final enactment of this act may be expended for any purpose authorized in section 403.11, subdivision 1, paragraph (a).

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

Sec. 23. Laws 2009, chapter 83, article 1, section 11, is amended to read:

Sec. 11. **PEACE OFFICER STANDARDS AND TRAINING BOARD (POST)**

\$ 4,012,000
3,952,000

\$ 4,012,000
3,891,000

(a) **Excess Amounts Transferred.** This appropriation is from the peace officer training account in the special revenue fund. Any new receipts credited to that account in the first year in excess of ~~\$4,012,000~~ \$3,952,000 must be transferred and credited to the general fund. Any new receipts credited to that account in the second year in excess of ~~\$4,012,000~~ \$3,891,000 must be transferred and credited to the general fund.

(b) **Peace Officer Training Reimbursements.** ~~\$2,859,000 each year is \$2,816,000 the first year and \$2,773,000 the second year~~ are for reimbursements to local governments for peace officer training costs.

(c) **Prohibition on Use of Appropriation.** No portion of this appropriation may be used for the purchase of motor vehicles or out-of-state travel that is not directly connected with and necessary to carry out the core functions of the board.

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

Sec. 24. Laws 2009, chapter 83, article 1, section 14, subdivision 2, is amended to read:

Subd. 2. **Correctional Institutions**

334,341,000

338,199,000

Appropriations by Fund

General	295,761,000	337,619,000
Special Revenue	580,000	580,000
Federal	38,000,000	0

\$38,000,000 the first year is from the fiscal stabilization account in the federal fund. This is a onetime appropriation.

The general fund base for this program shall be \$326,085,000 in fiscal year 2012 and \$330,430,000 in fiscal year 2013.

(a) **Treatment Alternatives; Report.** By December 15, 2009, the commissioner must submit an electronic report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety policy and finance concerning alternative chemical dependency treatment opportunities. The report must identify alternatives that represent best practices in chemical dependency treatment of offenders. The report must contain suggestions for reducing the length of time between offender commitment to the custody of the commissioner and graduation from chemical dependency treatment. To the extent possible, the report shall identify options that will (1) reduce the cost of treatment; (2) expand the number of treatment beds; (3) improve treatment outcomes; and (4) lower the rate of substance abuse relapse and criminal recidivism.

(b) **Challenge Incarceration; Maximum Occupancy.** The commissioner shall work to fill all available challenge incarceration beds for both male and female offenders. If the commissioner fails to fill at least 90 percent of the available challenge incarceration beds by December 1, 2009, the commissioner must submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety policy and finance by January 15, 2010, explaining what steps the commissioner has taken to fill the beds and why those steps failed to reach the goal established by the legislature.

(c) **Institutional Efficiencies.** The commissioner shall strive for institutional efficiencies and must reduce the fiscal year 2008 average adult facility per diem of \$89.77 by one percent. The base is cut by \$2,850,000 in the first year and \$2,850,000 in the second year to reflect a one percent reduction in the projected adult facility per diem. In reducing the projected adult facility per diem, the commissioner must consider the following:

- (1) cooperating with the state of Wisconsin to obtain economies of scale;
- (2) increasing the bed capacity of the challenge incarceration program;
- (3) increasing the number of nonviolent drug offenders who are granted conditional release under Minnesota Statutes, section 244.055;
- (4) increasing the use of compassionate release or less costly detention alternatives for elderly and infirm offenders;

(5) discontinuing the department's practice of annually assigning a warden to serve as a legislative liaison during the legislative session;

(6) consolidating staff from correctional institutions in geographical proximity to each other to achieve efficiencies and cost savings, including wardens, deputy wardens, and human resources, technology, and employee development personnel;

(7) consolidating the department's human resources, technology, and employee development functions in a centralized location;

(8) implementing corrections best practices; and

(9) implementing cost-saving measures used by other states and the federal government.

The commissioner must not eliminate correctional officer positions or implement any other measure that will jeopardize public safety to achieve the mandated cost savings. ~~The commissioner also must not eliminate treatment beds to achieve the mandated cost savings.~~

(d) **Per Diem Reduction.** If the commissioner fails to reduce the per diem by one percent, the commissioner must:

(1) reduce the funding for operations support by the amount of unrealized savings; and

(2) submit a report by February 15, 2010, to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety policy and finance that contains descriptions of what efforts the commissioner made to reduce the per diem, explanations for why those steps failed to reduce the per diem by one percent, proposed legislative options that would assist the commissioner in reducing the adult facility per diem, and descriptions of the specific actions the commissioner took to reduce funding in operations support.

If the commissioner reduces the per diem by more than one percent, the commissioner must use the savings to provide treatment to offenders.

~~(e) **Reductions to Certain Programming Prohibited.** When allocating reductions in services and programming under this appropriation, the commissioner may not make reductions to inmate educational programs, chemical dependency programs, or reentry programs.~~

~~(f)~~ **(e) Drug Court Bed Savings.** The commissioner must consider the bed impact savings of drug courts in formulating its prison bed projections.

~~(g)~~ **(f) Transfer.** Notwithstanding Minnesota Statutes, section 241.27, the commissioner of finance shall transfer \$1,000,000 the first year and \$1,000,000 the second year from the Minnesota Correctional Industries revolving fund to the general fund.

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

Sec. 25. **PROPOSED SENTENCING GUIDELINES' CHANGES DELAYED.**

The proposed changes to the sentencing guidelines relating to the crimes of solicitation, inducement, and promotion of prostitution and sex trafficking, and riot described on pages 8 to 9 and Appendix E of the Minnesota Sentencing Guidelines Commission's January 2010 report to the legislature take effect on August 1, 2011.

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

ARTICLE 12

STATE GOVERNMENT

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "APPROPRIATIONS" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 101, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 2. <u>LEGISLATURE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$(431,000)</u>	<u>\$(1,580,000)</u>
	<u>Appropriations by Fund</u>	
	<u>2010</u>	<u>2011</u>
General	(426,000)	(1,575,000)
Health Care Access	(5,000)	(5,000)
Subd. 2. <u>Senate</u>	(205,000)	(668,000)

The base budget for the Senate is \$21,824,000 in fiscal year 2012 and \$21,824,000 in fiscal year 2013.

Subd. 3. House of Representatives-0-(599,000)

The following amounts are canceled to the general fund from the accounts established under Minnesota Statutes, section 16A.281. These are onetime transfers.

\$395,000 in fiscal year 2010 and \$299,000 in fiscal year 2011 is canceled to the general fund from the house of representatives carryforward account.

During the biennium ending June 30, 2011, any revenues received by the house of representatives from voluntary donations to support broadcast or print media are appropriated to the house of representatives.

Subd. 4. Legislative Coordinating Commission(226,000)(313,000)Reductions by Fund

<u>General</u>	<u>(221,000)</u>	<u>(308,000)</u>
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<u>Health Care Access</u>	<u>(5,000)</u>	<u>(5,000)</u>
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The following amount is canceled to the general fund from the accounts established under Minnesota Statutes, section 16A.281. This is a onetime transfer.

\$154,000 in fiscal year 2011 is canceled to the general fund from the carryforward accounts in the Legislative Coordinating Commission.

The Legislative Coordinating Commission must issue a request for proposals for a contract under which the commission would purchase business intelligence and information analytics software as a tool to improve legislative oversight. By December 15, 2010, the commission must enter into a contract to purchase this software.

Sec. 3. GOVERNOR AND LIEUTENANT GOVERNOR\$(64,000)\$(146,000)

\$10,000 in fiscal year 2010 and \$85,000 in fiscal year 2011 are transferred from the interagency agreements account in the special revenue fund to the general fund. These are onetime transfers.

\$30,000 of the amount appropriated to the Office of the Governor for the fiscal year ending June 30, 2011, is transferred to the "Support Our Troops" account.

Sec. 4. STATE AUDITOR\$(32,000)\$(78,000)**Sec. 5. ATTORNEY GENERAL**\$(436,000)\$(954,000)

Sec. 6. <u>SECRETARY OF STATE</u>	<u>\$(104,000)</u>	<u>\$(250,000)</u>
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Sec. 7. <u>CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD</u>	<u>\$(28,000)</u>	<u>\$(8,000)</u>
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The base budget for the Campaign Finance and Public Disclosure Board is \$726,000 in fiscal year 2012 and \$726,000 in fiscal year 2013.

Sec. 8. <u>INVESTMENT BOARD</u>	<u>\$(2,000)</u>	<u>\$(5,000)</u>
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Sec. 9. <u>OFFICE OF ENTERPRISE TECHNOLOGY</u>	<u>\$(111,000)</u>	<u>\$(169,000)</u>
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These reductions are from the enterprise planning and management program.

Sec. 10. <u>ADMINISTRATIVE HEARINGS</u>	<u>\$(8,000)</u>	<u>\$(8,000)</u>
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Sec. 11. <u>ADMINISTRATION</u>	<u>\$-0-</u>	<u>\$(335,000)</u>
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(a) These reductions are from the government and citizens services program. \$8,000 of the reductions in fiscal year 2011 is from the transfer to the commissioner of human services for a grant to the Council of Developmental Disabilities. The appropriation for this grant shall be included in the base budget for the commissioner of human services for the biennium beginning July 1, 2011, and is reduced by \$8,000 each year of the biennium.

(b) \$209,000 in fiscal year 2010 is transferred from the central stores fund to the general fund. This is a onetime transfer.

(c) The balance in the commuter van program account in the special revenue fund shall be transferred to the general fund on or before June 30, 2010. This is a onetime transfer.

(d) The balance in the archaeology burial account of the special revenue fund shall be transferred to the general fund on or before June 30, 2010. This is a onetime transfer.

(e) \$1,492 in fiscal year 2010 is transferred from the utility rebates account in the special revenue fund to the general fund. This is a onetime transfer.

Sec. 12. <u>CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD</u>	<u>\$(6,000)</u>	<u>\$(11,000)</u>
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Sec. 13. <u>MANAGEMENT AND BUDGET</u>	<u>\$(386,000)</u>	<u>\$(599,000)</u>
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(a) \$300 in fiscal year 2010 and \$300 in fiscal year 2011 are transferred from the combined charities administration account in the special revenue fund to the general fund. These are onetime transfers.

(b) \$8,700 in fiscal year 2010 and \$10,700 in fiscal year 2011 are transferred from the information systems division account in the special revenue fund to the general fund. These are onetime transfers.

Sec. 14. **REVENUE**

Subdivision 1. **Total Appropriation** **\$(779,000)** **\$5,362,000**

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>(768,000)</u>	<u>5,379,000</u>
<u>Health Care Access</u>	<u>(11,000)</u>	<u>(17,000)</u>

Subd. 2. **Tax System Management** (779,000) 3,492,000

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>(768,000)</u>	<u>3,509,000</u>
<u>Health Care Access</u>	<u>(11,000)</u>	<u>(17,000)</u>

(a) \$4,857,000 is for additional activities to identify and collect tax liabilities from individuals and business that currently do not pay all taxes owed. This initiative is expected to result in new general fund revenues of \$13,065,000 for fiscal year 2011.

(b) The department must report to the chairs of the house of representative Ways and Means and senate Finance Committees by March 15, 2011, and January 15, 2012, on the following performance indicators:

(1) the number of corporations noncompliant with the corporate tax system each year and the percentage and dollar amounts of valid tax liabilities collected;

(2) the number of businesses noncompliant with the sales and use tax system and the percentage and dollar amount of the valid tax liabilities collected; and

(3) the number of individual noncompliant cases resolved and the percentage and dollar amount of valid tax liabilities collected.

(c) The reports must also identify base-level expenditures and staff positions related to compliance and audit activities, including baseline information as of January 1, 2009. The information must be provided at the budget activity level.

Subd. 3. Debt Collection Management**-0-****1,870,000**

\$1,870,000 is for additional activities to identify and collect tax liabilities from individuals and businesses that currently do not pay all taxes owed. This initiative is expected to result in new general fund revenues of \$13,800,000 for fiscal year 2011.

Sec. 15. GAMBLING CONTROL**\$(51,000)****\$(88,000)**

\$51,000 in fiscal year 2010 and \$88,000 in fiscal year 2011 are transferred from the lawful gambling account in the special revenue fund to the general fund. These are onetime transfers.

Sec. 16. RACING COMMISSION**\$(19,000)****\$(29,000)**

\$19,000 in fiscal year 2010 and \$29,000 in fiscal year 2011 are transferred from the racing and card playing regulation accounts in the special revenue fund to the general fund. These are onetime transfers.

Sec. 17. GENERAL CONTINGENT ACCOUNTS**\$(750,000)****\$-0-**

This reduction is from the appropriation for potential state matching requirements under the American Reinvestment and Recovery Act of 2009.

Sec. 18. Minnesota Statutes 2008, section 4.51, is amended to read:

4.51 EXPENSES OF GOVERNOR-ELECT.

Subdivision 1. **Definitions.** This section applies after a state general election in which a person who is not the current governor is elected to take office as the next governor. The commissioner of administration must request a transfer from the general fund contingent account of an amount equal to 1.5 percent of the amount appropriated for operation of the Office of the Governor and Lieutenant Governor for the current fiscal year. This request is subject to the review and advice of the Legislative Advisory Commission pursuant to section 3.30. If the transfer is approved, the commissioner of administration must make this amount available to the governor-elect before he or she takes office. The commissioner must provide office space for the governor-elect and for any employees the governor-elect hires. (a) "Governor-elect" means the person who is not currently governor and is the apparent successful candidate for the office of governor following a general election.

(b) "Commissioner" means the commissioner of the Department of Management and Budget.

Subd. 2. **Transition expenses.** In the fiscal year of a gubernatorial election and subject to availability of funds, the commissioner shall transfer up to \$162,000 from the general contingent account in the general fund to the Department of Management and Budget. This transfer is subject to the review and advice of the Legislative Advisory Commission pursuant to section 3.30. In consultation with the governor-elect, the commissioner shall use the transferred funds to pay expenses of the governor-elect associated with preparing for the assumption of official duties as governor. The commissioner may use the transferred funds for expenses necessary and prudent for establishment of a transition office prior to the election and for dissolution of the office if the incumbent governor is reelected or after the inauguration of a new governor. Expenses of the governor-elect may include suitable office space and equipment, communications and technology support, consulting services, compensation and travel costs, and other reasonable expenses. Compensation rates for temporary employees hired to support the governor-elect and rates paid for consulting services for the governor-elect shall be determined by the governor-elect.

Subd. 3. **Unused funds.** No new obligations shall be incurred for expenses of the governor-elect after the date of the inauguration. By March 31 of the year of the inauguration, the commissioner shall return to the general contingent account any funds transferred under this section that the commissioner determines are not needed to pay expenses of the governor-elect.

Sec. 19. **[10.61] TWO-SIDED PRINTING.**

A printer operated by an entity in the state executive, legislative, or judicial branch must be configured so that the default print option is for two-sided printing if it is feasible to set two-sided printing as the default.

Sec. 20. **[15B.055] PUBLIC ACCESS TO PARKING SPACES.**

To provide the public with greater access to legislative proceedings, all parking space on Aurora Avenue in front of the Capitol building must be reserved for the public. Revenue derived from public parking in these spaces must be deposited in the general fund.

Sec. 21. **[16A.0561] MAPPED DATA ON EXPENDITURES.**

Data on expenditure of money from the bond proceeds fund, the environmental and natural resources trust fund, the outdoor heritage fund, the clean water fund, the parks and trails fund, and the arts and cultural heritage fund must be made available on the Web in a manner that allows the public to obtain information about a project receiving an appropriation by clicking on a map. To the extent feasible, the map must include or link to information about each project, including but not limited to, the location, the name of the entity receiving the appropriation, the source of the appropriation, the amount of money received, and a general statement of the purpose of the appropriation. The Legislative Coordinating Commission, the commissioner of administration, and the commissioner of management and budget must collaborate to ensure compliance with this section in a manner that provides data cost-effectively in a way that is easy for the public to use. The commissioner of management and budget must determine the cost for the commissioner and entities collaborating with the commissioner to comply with this section, and to the extent feasible, must assess each fund subject to this section a proportional share of the total cost. The amount necessary to pay the amount assessed by the commissioner is appropriated from each fund to the commissioner for purposes of this section. The commissioner may transfer a portion of these appropriations to entities collaborating with the commissioner under this section.

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

Sec. 22. **[16A.1287] SYSTEM NAME.**

Notwithstanding the requirement of section 10.49 that laws not be named for living people, the statewide accounting and procurement system must be known as the Knowledge, Accountability, and Honest Numbers (KAHN) system.

EFFECTIVE DATE. This section is effective the day following final enactment and must be implemented swiftly.

Sec. 23. Minnesota Statutes 2009 Supplement, section 16A.82, is amended to read:

16A.82 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.

\$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000 in each fiscal year 2012 through 2019 The following amounts are appropriated from the general fund to the commissioner to make payments under a lease-purchase agreement as defined in section 16A.81 for replacement of the state's accounting and procurement systems, provided that the state is not obligated to continue such appropriation of funds or to make lease payments in any future fiscal year.

<u>Fiscal year 2010</u>	<u>\$2,828,038</u>
<u>Fiscal year 2011</u>	<u>\$3,063,950</u>
<u>Fiscal year 2012</u>	<u>\$8,967,850</u>
<u>Fiscal year 2013</u>	<u>\$8,968,950</u>
<u>Fiscal year 2014</u>	<u>\$8,970,850</u>
<u>Fiscal year 2015</u>	<u>\$8,971,150</u>
<u>Fiscal year 2016</u>	<u>\$8,966,450</u>
<u>Fiscal year 2017</u>	<u>\$8,967,500</u>
<u>Fiscal year 2018</u>	<u>\$8,970,750</u>
<u>Fiscal year 2019</u>	<u>\$8,968,500</u>

Of these appropriations, up to \$2,000 per year may be used to pay the annual trustee fees for the lease-purchase agreements authorized in this section and section 270C.145. Any unexpended portions of this appropriation cancel to the general fund at the close of each biennium. This section expires June 30, ~~2020~~ 2019.

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

Sec. 24. Minnesota Statutes 2008, section 16B.04, subdivision 2, is amended to read:

Subd. 2. **Powers and duties, generally.** Subject to other provisions of this chapter, the commissioner is authorized to:

- (1) supervise, control, review, and approve all state contracts and purchasing;
- (2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;
- (3) investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;
- (4) manage and control state property, real and personal;
- (5) maintain and operate all state buildings, as described in section 16B.24, subdivision 1;
- (6) supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;
- (7) provide central duplicating, printing, and mail facilities;
- (8) oversee publication of official documents and provide for their sale;
- (9) manage and operate parking facilities for state employees and a central motor pool for travel on state business;
- (10) provide rental space within the capitol complex for a private day care center for children of state employees. The commissioner shall contract for services as provided in this chapter; ~~and~~
- (11) settle state employee workers' compensation claims; and
- (12) operate a state recycling center.

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

Sec. 25. Minnesota Statutes 2008, section 16B.24, subdivision 3, is amended to read:

Subd. 3. **Disposal of old buildings.** (a) Upon request from the head of an agency with control of a state-owned building with an estimated market value of less than \$50,000, as determined by the commissioner, the commissioner may sell, demolish, or otherwise dispose of the building if the commissioner determines that the building is no longer used or is a fire or safety hazard.

~~The commissioner;~~ (b) Upon request of the head of an agency which has with control of a state-owned building which is no longer used or which is a fire or safety hazard, shall, with an estimated market value of \$50,000 or more, as determined by the commissioner, the commissioner may sell, demolish, or otherwise dispose of the building after determining that the building is no longer used or is a fire or safety hazard and obtaining approval of the chairs of the senate Finance Committee and house of representatives Ways and Means Committee, sell, wreck, or otherwise dispose of the building.

(c) In the event a sale is made under this subdivision, the proceeds shall be deposited in the proper account or in the general fund from which the appropriation to acquire the building was made, in the general fund or as otherwise provided under state law.

Sec. 26. Minnesota Statutes 2008, section 16B.48, subdivision 2, is amended to read:

Subd. 2. **Purpose of funds.** Money in the state treasury credited to the general services revolving fund and money that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

- (1) to operate a central store and equipment service;
- (2) to operate the central mailing service, including purchasing postage and related items and refunding postage deposits;
- (3) to operate a documents service as prescribed by section 16B.51;
- (4) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (5) to operate a materials handling service, including interagency mail and product delivery, solid waste removal, courier service, equipment rental, and vehicle and equipment maintenance;
- (6) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (7) to operate a records center and provide micrographics products and services; ~~and~~
- (8) to perform services for any other agency. Money may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services and other services for the maintenance, operation, and upkeep of buildings and offices of the state government; and
- (9) to operate a state recycling center.

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

Sec. 27. **[16B.535] FLEET MANAGEMENT; CONSOLIDATION.**

(a) The Department of Administration shall ensure optimum efficiency and economy in the fleet management activities of all state agencies. The department must:

(1) maintain a current fleet management inventory and maintenance cost accounting system that includes all state-owned or leased motor vehicles;

(2) develop uniform state policies and guidelines for vehicle acquisition, replacement, use, fuel, maintenance, and recording of operational and other costs; and

(3) study the cost-effectiveness of consolidating or privatizing the state vehicle fleet or sections of the state vehicle fleet, including documenting the current status of fleet consolidation or privatization and assessing the cost-effectiveness of further consolidation or privatization of the state vehicle fleet.

(b) When requested by the governor or the legislature, the department must submit information detailing the costs associated with fleet operations based upon a statewide uniform cost accounting system.

(c) State agencies authorized by the Department of Administration may operate a vehicle fleet management program. Each such agency shall assign a fleet manager who shall operate the agency's fleet program in accordance with policies and guidelines established by the Department of Administration.

(d) Each fleet manager must review the use of state-owned or leased vehicles within their agency at least annually to determine whether vehicle utilization meets best practices criteria as determined by the Department of Administration.

Sec. 28. Minnesota Statutes 2009 Supplement, section 16E.02, subdivision 1, is amended to read:

Subdivision 1. **Office management and structure.** (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology advisor to the governor.

(b) The chief information officer may appoint other employees of the office. The staff of the office must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.

(c) The chief information officer shall appoint a Webmaster responsible for the supervision and development of state Web sites under the control of the office including, but not limited to, Web sites maintained under section 16E.07. The Webmaster shall ensure that these Web sites are maintained in an easily accessible format that is consistent throughout state government and are consistent with the accessibility standards developed under section 16E.03, subdivision 9. The Webmaster shall provide assistance and guidance consistent with the requirements of this paragraph to other state agencies for the maintenance of other Web sites not under the direct control of the office.

Sec. 29. Minnesota Statutes 2008, section 16E.04, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** (a) In addition to other activities prescribed by law, the office shall carry out the duties set out in this subdivision.

(b) The office shall develop and establish a state information architecture to ensure:

(1) that state agency development and purchase of information and communications systems, equipment, and services is designed to ensure that individual agency information systems complement and do not needlessly duplicate or conflict with the systems of other agencies; and

(2) enhanced public access to data can be provided consistent with standards developed under section 16E.05, subdivision 4.

When state agencies have need for the same or similar public data, the chief information officer, in coordination with the affected agencies, shall manage the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. The office shall ensure compliance with the architecture.

(c) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's mission and the state's requirements and functions. The office shall review and approve agency technology plans to ensure consistency with enterprise information and telecommunications technology strategy. By January 15 of each year, the chief information officer must report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over the office regarding the assistance provided under this paragraph. The report must include a listing of agencies that have developed or are developing plans under this paragraph.

(d) The office shall review and approve agency requests for funding for the development or purchase of information systems equipment or software before the requests may be included in the governor's budget.

(e) The office shall review major purchases of information systems equipment to:

(1) ensure that the equipment follows the standards and guidelines of the state information architecture;

(2) ensure the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and

(3) ensure that the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency.

(f) The office shall review the operation of information systems by state agencies and ensure that these systems are operated efficiently and securely and continually meet the standards and guidelines established by the office. The standards and guidelines must emphasize uniformity that is cost-effective for the enterprise, that encourages information interchange, open systems environments, and portability of information whenever practicable and consistent with an agency's authority and chapter 13.

(g) The office shall conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost-beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.

Sec. 30. Minnesota Statutes 2008, section 16E.05, is amended by adding a subdivision to read:

Subd. 4. **Standards for transparency.** The chief information officer shall develop standards to enhance public access to electronic data maintained by state government, consistent with the requirements of chapter 13. The standards must ensure that:

(1) the state information architecture facilitates public access to agency data;

(2) publicly available data is managed using an approved state metadata model; and

(3) all geospatial data conform to an approved state geocode model.

Sec. 31. Minnesota Statutes 2008, section 79.34, subdivision 1, is amended to read:

Subdivision 1. **Conditions requiring membership.** The nonprofit association known as the Workers' Compensation Reinsurance Association may be incorporated under chapter 317A with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.40, sections 79.34 to 79.40 govern. Each insurer as defined by section 79.01, subdivision 2, shall, as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and is bound by the plan of operation of the reinsurance association; provided, that all affiliated insurers within a holding company system as defined in chapter 60D are considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association. Each self-insurer approved under section 176.181 and each political subdivision that self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and is bound by its plan of operation; provided that:

(1) all affiliated companies within a holding company system, as determined by the commissioner of labor and industry in a manner consistent with the standards and definitions in chapter 60D, are considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association; and

(2) all group self-insurers granted authority to self-insure pursuant to section 176.181 are considered single entities for purposes of the exercise of all the rights and duties of membership in the reinsurance association. As a condition of its authority to self-insure workers' compensation liability, and for losses incurred after December 31, 1983, the state is a member of the reinsurance association and is bound by its plan of operation. The commissioner of ~~management and budget administration~~ represents the state in the exercise of all the rights and duties of membership in the reinsurance association. The amounts necessary to pay the state's premiums required for coverage by the Workers' Compensation Reinsurance Association are appropriated from the general fund to the commissioner of ~~management and budget administration~~. The University of Minnesota shall pay its portion of workers' compensation reinsurance premiums directly to the Workers' Compensation Reinsurance Association. For the purposes of this section, "state" means the administrative branch of state government, the legislative branch, the judicial branch, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund. The commissioner of management and budget may calculate, prorate, and charge a department or agency the portion of premiums paid to the reinsurance association for employees who are paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The reinsurance association is not a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of labor and industry with respect to the reinsurance association are not subject to chapters 13 and 15. All property owned by the association is exempt from taxation. The reinsurance association is not obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

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

Sec. 32. Minnesota Statutes 2008, section 115A.15, subdivision 6, is amended to read:

Subd. 6. **Use of funds.** ~~All funds appropriated by the state for the resource recovery program, all revenues resulting from the sale of recyclable and reusable commodities made available for sale as a result of the resource recovery program, and all reimbursements to the commissioner of expenses incurred by the commissioner in developing and administering resource recovery systems for state agencies, governmental units, and nonprofit organizations must be deposited in the general fund. The commissioner shall determine the waste disposal cost savings associated with recycling and reuse activities.~~ will be used by the service provider to offset the cost of the recycling.

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

Sec. 33. Minnesota Statutes 2009 Supplement, section 270C.145, is amended to read:

270C.145 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.

~~\$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each fiscal year 2012 through 2019 is~~ The following amounts are appropriated from the general fund to the commissioner to make payments under a lease-purchase agreement as defined in section 16A.81 for completing the purchase and development of an integrated tax software package; provided that the state is not obligated to continue the appropriation of funds or to make lease payments in any future fiscal year.

<u>Fiscal year 2010</u>	<u>\$670,213</u>
<u>Fiscal year 2011</u>	<u>\$748,550</u>
<u>Fiscal year 2012</u>	<u>\$2,250,150</u>
<u>Fiscal year 2013</u>	<u>\$2,251,550</u>
<u>Fiscal year 2014</u>	<u>\$2,250,350</u>
<u>Fiscal year 2015</u>	<u>\$2,251,550</u>
<u>Fiscal year 2016</u>	<u>\$2,249,950</u>
<u>Fiscal year 2017</u>	<u>\$2,251,250</u>
<u>Fiscal year 2018</u>	<u>\$2,249,000</u>
<u>Fiscal year 2019</u>	<u>\$2,247,000</u>

Any unexpended portions of this appropriation cancel to the general fund at the close of each biennium. This section expires June 30, 2019.

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

Sec. 34. Minnesota Statutes 2009 Supplement, section 289A.08, subdivision 16, is amended to read:

Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision 13, paragraph (f), who ~~prepared~~ is a tax return preparer for purposes of section 6011(e) of the Internal Revenue Code, and who reasonably expects to prepare more than 100 ten Minnesota individual income tax returns for the prior calendar year must file all Minnesota individual income tax returns prepared for the current that calendar year by electronic means.

(b) Paragraph (a) does not apply to a return if the taxpayer has indicated on the return that the taxpayer did not want the return filed by electronic means.

(c) For each return that is not filed electronically by a tax refund or return preparer under this subdivision, including returns filed under paragraph (b), a paper filing fee of \$5 is imposed upon the preparer. The fee is collected from the preparer in the same manner as income tax. The fee does not apply to returns that the commissioner requires to be filed in paper form.

EFFECTIVE DATE. This section is effective for tax returns filed after December 31, 2010.

Sec. 35. Minnesota Statutes 2008, section 471.6175, subdivision 4, is amended to read:

Subd. 4. **Account maintenance.** (a) A political subdivision or other public entity may establish a trust account to be held under the supervision of the trust administrator for the purposes of this section. A trust administrator shall establish a separate account for each participating political subdivision or public entity. The trust administrator may charge participating political subdivisions and public entities fees for reasonable administrative costs. The amount of any fees charged by the Public Employees Retirement Association is appropriated to the association from the account. A trust administrator may establish other reasonable terms and conditions for creation and maintenance of these accounts.

(b) The trust administrator must report to the political subdivision or other public entity on the investment returns of invested trust assets and on all investment fees or costs incurred by the trust. The annual rates of return, along with investment and administrative fees and costs for the trust, must be disclosed in the political subdivision's or public entity's annual financial audit in a manner prescribed by the state auditor.

(c) Effective for fiscal years beginning after December 31, ~~2009~~ 2013, the trust administrator must report electronically to the state auditor the portfolio and performance information specified in section 356.219, subdivision 3, in the manner prescribed by the state auditor.

Sec. 36. Laws 2009, chapter 101, article 1, section 31, is amended to read:

Sec. 31. **PROBLEM GAMBLING APPROPRIATION.**

\$225,000 in fiscal year 2010 and ~~\$225,000~~ \$175,000 in fiscal year 2011 are appropriated from the lottery prize fund to the Gambling Control Board for a grant to the state affiliate recognized by the National Council on Problem Gambling. The affiliate must provide services to increase public awareness of problem gambling, education and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research relating to problem gambling. These services must be complimentary to and not duplicative of the services provided through the problem gambling program administered by the commissioner of human services. Of this appropriation, \$50,000 in fiscal year 2010 ~~and \$50,000 in fiscal year 2011 are~~ is contingent on the contribution of nonstate matching funds. Matching funds may be either cash or qualifying in-kind contributions. The commissioner of finance may disburse the state portion of the matching funds in increments of \$25,000 upon receipt of a commitment for an equal amount of matching nonstate funds. These are onetime appropriations.

Sec. 37. **ADDITIONAL OPERATING BUDGET REDUCTIONS.**

By July 30, 2010, the commissioner of management and budget must allocate a reduction of \$2,630,000 for the fiscal year ending June 30, 2011, to the operating budgets of executive branch state agencies, as defined in Minnesota Statutes, section 16A.011, subdivision 12a. To the extent possible, this reduction must be achieved through estimated savings in expenditures for space, out-of-state travel, fleet management, energy usage in state buildings, contracts for professional or technical services, and through increased employee telecommuting, and through consolidation of information technology functions, or through other operational efficiencies. If expenditure reductions are achieved in dedicated funds other than those established in the state constitution or protected by federal law, the commissioner of management and budget may transfer the amount of the savings to the general

fund. Executive branch state agencies must cooperate with the commissioner of management and budget in developing and implementing these reductions. Any amount of the reduction that cannot be achieved through savings in the expenditure types described in this section must be allocated to executive state agency operating budgets by the commissioner. Reductions in fiscal year 2011 must cancel to the general fund and shall be reflected as reductions in agency base budgets for fiscal years 2012 and 2013. The commissioner of management and budget must report to the chairs and ranking minority members of the senate Finance Committee and the house of representatives Ways and Means and Finance Committees regarding the amount of reductions in spending by each agency under this section.

Sec. 38. **TRANSPARENCY STANDARDS REPORT.**

By January 15, 2011, the chief information officer shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over the Office of Enterprise Technology regarding the development of the standards to enhance public access to data required under Minnesota Statutes, section 16E.05, subdivision 4. The report must describe the process for development of the standards, including the opportunity provided for public comment, and specify the components of the standards that have been implemented, including a description of the level of public use of the new opportunities for data access under the standards.

Sec. 39. **REQUEST FOR PROPOSALS.**

(a) The commissioner of revenue shall issue a request for proposals for a contract to implement a system of tax analytics and business intelligence tools to enhance the state's tax collection process and revenues by improving the means of identifying candidates for audit and collection activities and prioritizing those activities to provide the highest returns on auditors' and collection agents' time. The request for proposals must require that the system recommended and implemented by the contractor:

(1) leverage the Department of Revenue's existing data and other available data sources to build models that more effectively and efficiently identify accounts for audit review and collections;

(2) leverage advanced analytical techniques and technology such as pattern detection, predictive modeling, clustering, outlier detection, and link analysis to identify suspect accounts for audit review and collections;

(3) leverage a variety of approaches and analytical techniques to rank accounts and improve the success rate and the return on investment of department employees engaged in audit activities;

(4) leverage technology to make the audit process more sustainable and stable, even with turnover of department auditing staff;

(5) provide optimization capabilities to more effectively prioritize collections and increase the efficiency of employees engaged in collections activities; and

(6) incorporate mechanisms to decrease wrongful auditing and reduce interference with Minnesota taxpayers who are fully complying with the laws.

(b) Based on acceptable responses to the request for proposals, the commissioner shall enter into a contract for the services specified in paragraph (a) by July 1, 2012. The contract must incorporate a performance-based vendor financing option whereby the vendor shares in the risk of the project's success.

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

Sec. 40. **COMMISSION ON SERVICE INNOVATION.**

The governor shall appoint a Commission on Service Innovation to produce a strategic plan to reengineer the delivery of state and local government services, including the realignment of service delivery by region and proximity, the use of new technologies, shared facilities, and other means of improving efficiency. The plan shall also provide a process to review and modify recommendations at regular intervals in the future based on specific results measured at regular intervals. The plan shall also include any proposed legislation necessary to implement the commission's recommendations.

Sec. 41. **HELP AMERICA VOTE ACT.**

If the secretary of state determines that this state is otherwise eligible to receive an additional payment of federal money under the Help America Vote Act, Public Law 107-252, the secretary must certify to the commissioner of management and budget the amount, if any, needed to meet the matching requirement of section 253(b)(5) of the Help America Vote Act. In the certification, the secretary shall specify the portion of the match that should be taken from an unencumbered general fund appropriation to the Office of the Secretary of State for a different purpose. Upon receipt of that certification, or as soon as an unencumbered general fund appropriation becomes available, whichever occurs later, the commissioner must transfer the specified amount to the Help America Vote Act account.

This section expires on June 30, 2011.

ARTICLE 13

MINORITY BOARDS

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	<u>\$(29,000)</u>	<u>\$(49,000)</u>	<u>\$(78,000)</u>

Sec. 2. **APPROPRIATIONS.**

The dollar amounts in the columns under "Appropriations" are added to, or, if shown in parentheses, subtracted from appropriations enacted in the 2009 regular legislative session. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>AMATEUR SPORTS COMMISSION</u>	<u>\$(4,000)</u>	<u>\$(9,000)</u>
Sec. 4. <u>COUNCIL ON BLACK MINNESOTANS</u>	<u>\$(5,000)</u>	<u>\$(9,000)</u>

Sec. 5. <u>COUNCIL ON CHICANO/LATINO AFFAIRS</u>	<u>\$(6,000)</u>	<u>\$(9,000)</u>
Sec. 6. <u>COUNCIL ON ASIAN-PACIFIC MINNESOTANS</u>	<u>\$(5,000)</u>	<u>\$(8,000)</u>
Sec. 7. <u>INDIAN AFFAIRS COUNCIL</u>	<u>\$(9,000)</u>	<u>\$(14,000)</u>

ARTICLE 14

MINERALS

Section 1. Minnesota Statutes 2009 Supplement, section 298.294, is amended to read:

298.294 INVESTMENT OF FUND.

(a) The trust fund established by section 298.292 shall be invested pursuant to law by the State Board of Investment and the net interest, dividends, and other earnings arising from the investments shall be transferred, except as provided in paragraph (b), on the first day of each month to the trust and shall be included and become part of the trust fund. The amounts transferred, including the interest, dividends, and other earnings earned prior to July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year 1983, which is appropriated April 21, 1983, are appropriated from the trust fund to the commissioner of Iron Range resources and rehabilitation for deposit in a separate account for expenditure for the purposes set forth in section 298.292. Amounts appropriated pursuant to this section shall not cancel but shall remain available unless expended.

(b) For fiscal years 2010 and 2011 only, ~~\$1,000,000~~ \$1,500,000 of the net interest, dividends, and other earnings under paragraph (a) shall be transferred to a special account. Funds in the special account are available for loans or grants to businesses, with priority given to businesses with 25 or fewer employees. Funds may be used for wage subsidies for up to 52 weeks of up to \$5 per hour or other activities, including, but not limited to, short-term operating expenses and purchase of equipment and materials by businesses under financial duress, that will create additional jobs in the taconite assistance area under section 273.1341. Expenditures from the special account must be approved by at least seven Iron Range Resources and Rehabilitation Board members.

(c) To qualify for a grant or loan, a business must be currently operating and have been operating for one year immediately prior to its application for a loan or grant, and its corporate headquarters must be located in the taconite assistance area.

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

Sec. 2. Laws 2009, chapter 78, article 7, section 2, is amended to read:

Sec. 2. IRON RANGE RESOURCES AND REHABILITATION; EARLY SEPARATION INCENTIVE PROGRAM AUTHORIZATION.

(a) Notwithstanding any law to the contrary, the commissioner of Iron Range resources and rehabilitation, in consultation with the commissioner of management and budget, ~~may~~ shall offer a targeted early separation incentive program for employees of the commissioner who have attained the age of 60 years or who have received credit for at least 30 years of allowable service under the provisions of Minnesota Statutes, chapter 352.

(b) The early separation incentive program may include one or more of the following:

(1) employer-paid postseparation health, medical, and dental insurance until age 65; and

(2) cash incentives that may, but are not required to be, used to purchase additional years of service credit through the Minnesota State Retirement System, to the extent that the purchases are otherwise authorized by law.

(c) The commissioner of Iron Range resources and rehabilitation shall establish eligibility requirements for employees to receive an incentive.

(d) The commissioner of Iron Range resources and rehabilitation, consistent with the established program provisions under paragraph (b), and with the eligibility requirements under paragraph (c), may designate specific programs or employees as eligible to be offered the incentive program.

(e) Acceptance of the offered incentive must be voluntary on the part of the employee and must be in writing. The incentive may only be offered at the sole discretion of the commissioner of Iron Range resources and rehabilitation.

(f) The cost of the incentive is payable solely by funds made available to the commissioner of Iron Range resources and rehabilitation by law, but only on prior approval of the expenditures by a majority of the Iron Range Resources and Rehabilitation Board.

(g) This section and section 3 are repealed ~~June 30, 2011~~ December 31, 2012.

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

Sec. 3. **IRON RANGE HERITAGE CENTER AND PERPICH ARCHIVES.**

The Iron Range Resources and Rehabilitation Board shall change the name of "Ironworld Discovery Center" to "Iron Range Heritage Center and Perpich Archives" consistent with the changes in section 5.

Sec. 4. **2010 DISTRIBUTIONS ONLY.**

For distributions in 2010 only, a special fund is established to receive 19.765 cents per ton that otherwise would be allocated under Minnesota Statutes, section 298.28, subdivision 6, and 6.367 cents per ton that would otherwise be allocated under Minnesota Statutes, section 298.28, subdivision 11, to the Douglas J. Johnson economic protection fund. The following amounts are distributed to St. Louis County acting as the fiscal agent for the recipients for the following specified purposes:

(1) 0.764 cent per ton must be paid to Northern Minnesota Dental to provide incentives for at least two dentists to establish dental practices in high-need areas of the taconite tax relief area;

(2) 0.955 cent per ton must be paid to the city of Virginia for repairs and geothermal heat at the Olcott Park Greenhouse/Virginia Commons project;

(3) 0.637 cent per ton must be paid to the city of Virginia for health and safety repairs at the Miners Memorial;

(4) 0.955 cent per ton must be paid to the city of Eveleth for the reconstruction of Highway 142/Grant and Park Avenues;

(5) 0.478 cent per ton must be paid to the Greenway Joint Recreation Board for upgrades and capital improvements to the Hodgins Berardo Arena in Coleraine;

(6) 0.796 cent per ton must be paid to the city of Calumet for water treatment and pumphouse modifications;

(7) 0.159 cent per ton must be paid to the city of Bovey for residential and commercial claims for water damage due to water and flood-related damage caused by the Canisteo Pit;

(8) 0.637 cent per ton must be paid to the city of Nashwauk for a community and child care center;

(9) 0.637 cent per ton must be paid to the city of Keewatin for water and sewer upgrades;

(10) 0.637 cent per ton must be paid to the city of Marble for the city hall and library project;

(11) 0.955 cent per ton must be paid to the city of Grand Rapids for extension of water and sewer services for Lakewood Housing;

(12) 0.159 cent per ton must be paid to the city of Grand Rapids for exhibits at the Children's Museum;

(13) 0.637 cent per ton must be paid to the city of Grand Rapids for Block 20/21 soil corrections. This amount must be matched by local sources;

(14) 0.605 cent per ton must be paid to the city of Aitkin for three water loops;

(15) 0.048 cent per ton must be paid to the city of Aitkin for signage;

(16) 0.159 cent per ton must be paid to Itasca County for an ATV trail;

(17) 0.637 cent per ton must be paid to the city of Cohasset for the Beiers Road railroad crossing;

(18) 0.088 cent per ton must be paid to the city of Clinton for expansion and striping of the community center parking lot;

(19) 0.398 cent per ton must be paid to the city of Kinney for water line replacement;

(20) 0.796 cent per ton must be paid to the city of Gilbert for infrastructure improvements, milling, and overlay for Summit Street between Alaska Avenue and Highway 135;

(21) 0.318 cent per ton must be paid to the city of Gilbert for sanitary sewer main replacements and improvements in the Northeast Lower Alley area;

(22) 0.637 cent per ton must be paid to the town of White for replacement of the Stepetz Road culvert;

(23) 0.637 cent per ton must be paid to the city of Buhl for reconstruction of Sharon Street and associated infrastructure;

(24) 0.637 cent per ton must be paid to the city of Mountain Iron for site improvements at the Park Ridge development;

(25) 0.796 cent per ton must be paid to the city of Mountain Iron for infrastructure and site preparation for its renewable and sustainable energy park;

(26) 0.637 cent per ton must be paid to the city of Biwabik for sanitary sewer improvements;

(27) 0.796 cent per ton must be paid to the city of Aurora for alley and road rebuilding for the Summit Addition;

(28) 0.955 cent per ton must be paid to the city of Silver Bay for bioenergy facility improvements;

(29) 0.318 cent per ton must be paid to the city of Grand Marais for water and sewer infrastructure improvements;

(30) 0.318 cent per ton must be paid to the city of Orr for airport, water, and sewer improvements;

(31) 0.318 cent per ton must be paid to the city of Cook for street and bridge improvements;

(32) 0.955 cent per ton must be paid to the city of Ely for street, water, and sewer improvements;

(33) 0.318 cent per ton must be paid to the city of Tower for water and sewer improvements;

(34) 0.955 cent per ton must be paid to the city of Two Harbors for water and sewer improvements;

(35) 0.637 cent per ton must be paid to the city of Babbitt for water and sewer improvements;

(36) 0.096 cent per ton must be paid to the township of Duluth for infrastructure improvements;

(37) 0.096 cent per ton must be paid to the township of Tofte for infrastructure improvements;

(38) 3.184 cents per ton must be paid to the city of Hibbing for sewer improvements;

(39) 1.273 cents per ton must be paid to the city of Chisholm for NW Area Project infrastructure improvements;

(40) 0.318 cent per ton must be paid to the city of Chisholm for health and safety improvements at the athletic facility; and

(41) 0.796 cent per ton must be paid to the city of Hoyt Lakes for residential street improvements.

EFFECTIVE DATE. This section is effective for the 2010 distribution, all of which must be made in the August 2010 payment.

Sec. 5. **REVISOR'S INSTRUCTION.**

(a) The revisor of statutes shall change the terms "Douglas J. Johnson economic protection trust fund" or similar terms to "Mesabi miners' memorial economic development fund" or similar terms wherever they appear in Minnesota Statutes. The revisor shall also make grammatical changes related to the changes in terms.

(b) The revisor of statutes shall change the terms "Ironworld Discovery Center" to "Iron Range Heritage Center and Perpich Archives" wherever they appear in Minnesota Statutes.

ARTICLE 15

MISCELLANEOUS

Section 1. Minnesota Statutes 2008, section 116L.17, subdivision 2, is amended to read:

Subd. 2. **Grants.** The board shall make grants to workforce service areas or other eligible organizations to provide services to dislocated workers as follows:

(a) The board shall allocate funds available for the purposes of this section in its discretion to respond to substantial layoffs and plant closings.

(b) The board shall regularly allocate funds to provide services to individual dislocated workers or small groups. The initial allocation for this purpose must be 50 percent of the deposits and transfers into the workforce development fund, less any collection costs paid out of the fund and any amounts appropriated by the legislature from the workforce development fund for programs other than the state dislocated worker program.

(c) Following the initial allocation, the board may consider additional allocations to provide services to individual dislocated workers. The board's decision to allocate additional funds shall be based on relevant economic indicators including: the number of substantial layoffs to date, notices of substantial layoffs for the remainder of the fiscal year, evidence of declining industries, the number of permanently separated individuals applying for unemployment benefits by workforce service area, and the number of individuals exhausting unemployment benefits by workforce service area. The board must also consider expenditures of allocations to workforce service areas under paragraph (b) made during the first two quarters of the fiscal year and federal resources that have been or are likely to be allocated to Minnesota for the purposes of serving dislocated workers affected by substantial layoffs or plant closings; except that this sentence does not apply in fiscal year 2011.

(d) The board may, in its discretion, allocate funds carried forward from previous years under subdivision 9 for large, small, or individual layoffs.

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

Sec. 2. Minnesota Statutes 2009 Supplement, section 154.002, is amended to read:

154.002 OFFICERS; COMPENSATION; FEES; EXPENSES.

The Board of Barber Examiners shall annually elect a chair and secretary. It shall adopt and use a common seal for the authentication of its orders and records. The board shall appoint an executive secretary ~~who~~ or enter into an interagency agreement to procure the services of an executive secretary. The executive secretary shall not be a member of the board and ~~who~~ shall be in the unclassified civil service. The position of executive secretary may be a part-time position.

The executive secretary shall keep a record of all proceedings of the board. The expenses of administering this chapter shall be paid from the appropriations made to the Board of Barber Examiners.

Each member of the board shall take the oath provided by law for public officers.

A majority of the board, in meeting assembled, may perform and exercise all the duties and powers devolving upon the board.

The members of the board shall receive compensation for each day spent on board activities, but not to exceed 20 days in any calendar month nor 100 days in any calendar year.

The board shall have authority to employ such inspectors, clerks, deputies, and other assistants as it may deem necessary to carry out the provisions of this chapter.

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

Sec. 3. Minnesota Statutes 2009 Supplement, section 154.003, is amended to read:

154.003 FEES.

(a) The fees collected, as required in this chapter, chapter 214, and the rules of the board, shall be paid to the ~~executive secretary of the board.~~ The executive secretary board shall deposit the fees in the general fund in the state treasury.

(b) The board shall charge the following fees:

- (1) examination and certificate, registered barber, ~~\$65~~ \$85;
- (2) examination and certificate, apprentice, ~~\$60~~ \$80;
- (3) examination, instructor, ~~\$160~~ \$180;
- (4) certificate, instructor, ~~\$45~~ \$65;
- (5) temporary teacher or apprentice permit, ~~\$60~~ \$80;
- (6) renewal of license, registered barber, ~~\$60~~ \$80;
- (7) renewal of license, apprentice, ~~\$50~~ \$70;
- (8) renewal of license, instructor, ~~\$60~~ \$80;
- (9) renewal of temporary teacher permit, ~~\$45~~ \$65;
- (10) student permit, ~~\$25~~ \$45;
- (11) initial shop registration, ~~\$65~~ \$85;
- (12) initial school registration, ~~\$1,010~~ \$1,030;
- (13) renewal shop registration, ~~\$65~~ \$85;
- (14) renewal school registration, ~~\$260~~ \$280;
- (15) restoration of registered barber license, ~~\$75~~ \$95;
- (16) restoration of apprentice license, ~~\$70~~ \$90;
- (17) restoration of shop registration, ~~\$85~~ \$105;
- (18) change of ownership or location, ~~\$35~~ \$55;
- (19) duplicate license, ~~\$20~~ \$40; and
- (20) home study course, ~~\$75~~; and \$95.
- ~~(21) registration of hair braiders, \$20 per year.~~

Sec. 4. Minnesota Statutes 2008, section 154.06, is amended to read:

154.06 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A REGISTERED APPRENTICE.

Subdivision 1. Qualifications; duration of registration. (a) A person is qualified to receive a certificate of registration as a registered apprentice:

- (1) who has completed at least ten grades of an approved school;

(2) who has graduated from a barber school approved by the board; and

(3) who has passed an examination conducted by the board to determine fitness to practice as a registered apprentice.

(b) An applicant for a certificate of registration to practice as an apprentice who fails to pass the examination conducted by the board is required to complete a further course of study of at least 500 hours, of not more than eight hours in any one working day, in a barber school approved by the board.

(c) A certificate of registration of an apprentice shall be valid for four years from the date the certificate of registration is issued by the board and shall not be renewed. During the four-year period the certificate of registration shall remain in full force and effect only if the apprentice complies with all the provisions of sections 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, including the payment of an annual fee, and the rules of the board.

Subd. 2. Limited extension of registration. (a) If a registered apprentice, during the term in which the certificate of registration is in effect, enters full-time active duty in the armed forces of the United States of America, the expiration date of the certificate of registration shall be extended by a period of time equal to the period or periods of active duty.

(b) This paragraph applies when a person graduates from a barber school approved by the board and is issued a certificate of registration while incarcerated by the Department of Corrections or the Federal Bureau of Prisons. The expiration date of the certificate shall be extended once so that it expires four years from the date of the person's first release from a correctional facility after becoming a registered apprentice.

Sec. 5. Minnesota Statutes 2008, section 154.065, subdivision 2, is amended to read:

Subd. 2. **Qualifications.** A person is qualified to receive a certificate of registration as an instructor of barbering who:

(1) is a graduate from an approved high school, or its equivalent, as determined by examination by the Department of Education;

(2) ~~has qualified for a teacher's or instructor's vocational certificate~~ successfully completed at least 38 hours of training in a program or programs approved by the board and that will provide the knowledge and skills necessary to instruct in the field of barbering;

(3) ~~has at least three years experience as is currently a registered barber in this state, or its equivalent as determined by the board~~ with at least 1,400 hours of experience as a registered barber; and

(4) has passed an examination conducted by the board to determine fitness to instruct in barbering.

A certificate of registration under this section is provisional until a teacher's or instructor's vocational certificate has been issued by the Department of Education. A provisional certificate of registration is valid for 30 days and is not renewable.

Sec. 6. Minnesota Statutes 2008, section 154.07, is amended by adding a subdivision to read:

Subd. 7. Transfer students. When a student has paid or made arrangement to pay all applicable tuition fees to a barbering school, that school shall certify a student's hours to another school within ten days of the student's written request. The former school may charge a nominal fee for providing this certification and transfer of hours.

Sec. 7. Minnesota Statutes 2008, section 154.15, is amended by adding a subdivision to read:

Subd. 3. Continuing education required for registered instructors. (a) A registered instructor of barbering may not renew a certificate of registration without satisfying the following continuing education requirements:

(1) a registered instructor must submit proof of at least five continuing education credits earned since the original certification or latest renewal, whichever is latest, unless the registered instructor has failed to renew as described in subdivision 2; and

(2) a registered instructor who fails to renew may not be reinstated under subdivision 2 without proof of at least five continuing education credits earned since the original certification or latest renewal, whichever is latest, plus an additional 2.5 credits for each six months, or portion thereof, in excess of the date of the original failure to renew, calculated from the date that the board receives the application for renewal.

(b) For purposes of this subdivision, a registered instructor may earn continuing education credits as follows:

(1) one credit for every five hours of service as a voting member on a board, commission, task force, or nonprofit organization;

(2) one credit for each credit earned for completing a class or course at a postsecondary institution, a degree-granting college or university, or a trade and technical school that grants associate degrees; and

(3) one credit for every five hours of attendance at a trade show or formal class offered by an organization related to barbering or cosmetology.

Sec. 8. Minnesota Statutes 2009 Supplement, section 155A.23, is amended by adding a subdivision to read:

Subd. 5a. Individual license. "Individual license" means a license described in section 155A.25, subdivision 1, paragraph (a), clauses (1) and (2).

Sec. 9. Minnesota Statutes 2009 Supplement, section 155A.24, subdivision 2, is amended to read:

Subd. 2. Hiring and assignment of employees. The board has the authority to hire qualified personnel in the classified service to assist in administering the law, including those for the testing and licensing of applicants and the continuing inspections required. All staff must receive periodic training to improve and maintain customer service skills.

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

Sec. 10. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding a subdivision to read:

Subd. 3. Feedback. The board must provide access on its Web site for customers to provide feedback on interaction with the board and board staff. The information posted to the Web site by customers must be readily accessible to the public. The board must also record each complaint it receives, the board's response, and the time elapsed in responding to and resolving each complaint.

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

Sec. 11. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding a subdivision to read:

Subd. 4. **Report.** The board must report by January 15 each year to the standing committees of the house of representatives and the senate having jurisdiction over the board on its customer service training and its complaint resolution activities.

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

Sec. 12. Minnesota Statutes 2009 Supplement, section 155A.25, is amended to read:

155A.25 COSMETOLOGY FEES; LICENSE EXPIRATION DATE.

Subdivision 1. **Schedule.** The fee schedule for licensees is as follows for licenses issued prior to July 1, 2010, and after June 30, 2013:

(a) Three-year license fees:

(1) cosmetologist, manicurist, esthetician, \$90 for each initial license, and \$60 for each renewal;

(2) instructor, manager, \$120 for each initial license, and \$90 for each renewal;

(3) salon, \$130 for each initial license, and \$100 for each renewal; and

(4) school, \$1,500.

(b) Penalties:

(1) reinspection fee, variable;

(2) manager and owner with lapsed practitioner, \$150 each;

(3) expired cosmetologist, manicurist, esthetician, manager, school manager, and instructor license, \$45; and

(4) expired salon or school license, \$50.

(c) Administrative fees:

(1) certificate of identification, \$20;

(2) school original application, \$150;

(3) name change, \$20;

(4) letter of license verification, \$30;

(5) duplicate license, \$20;

(6) processing fee, \$10; ~~and~~

(7) special event permit, \$75 per year; and

(8) registration of hair braiders, \$20 per year.

~~(d) All fees established in this subdivision must be paid to the executive secretary of the board. The executive secretary of the board shall deposit the fees in the general fund in the state treasury.~~

Subd. 1a. **Schedule.** The fee schedule for licensees is as follows for licenses issued after June 30, 2010, and prior to July 1, 2013:

(a) Three-year license fees:

(1) cosmetologist, manicurist, or esthetician:

(i) \$90 for each initial license and a \$40 nonrefundable initial license application fee, for a total of \$130; and

(ii) \$60 for each renewal and a \$15 nonrefundable renewal application fee, for a total of \$75;

(2) instructor or manager:

(i) \$120 for each initial license and a \$40 nonrefundable initial license application fee, for a total of \$160; and

(ii) \$90 for each renewal and a \$15 nonrefundable renewal application fee, for a total of \$105;

(3) salon:

(i) \$130 for each initial license and a \$100 nonrefundable initial license application fee, for a total of \$230; and

(ii) \$100 for each renewal and a \$50 nonrefundable renewal application fee, for a total of \$150; and

(4) school:

(i) \$1,500 for each initial license and a \$1,000 nonrefundable initial license application fee, for a total of \$2,500; and

(ii) \$1,500 for each renewal and a \$500 nonrefundable renewal application fee, for a total of \$2,000.

(b) Penalties:

(1) reinspection fee, variable;

(2) manager and owner with lapsed practitioner, \$150 each;

(3) expired cosmetologist, manicurist, esthetician, manager, school manager, and instructor license, \$45; and

(4) expired salon or school license, \$50.

(c) Administrative fees:

(1) certificate of identification, \$20;

(2) name change, \$20;

(3) letter of license verification, \$30;

(4) duplicate license, \$20;

(5) processing fee, \$10;

(6) special event permit, \$75 per year; and

(7) registration of hair braiders, \$20 per year.

Subd. 1b. Fees disposition; appropriation. (a) All fees established in subdivisions 1 and 1a must be paid to the executive secretary of the board.

(b) The executive secretary of the board shall deposit all fees in the general fund in the state treasury.

Subd. 2. **Refunds.** Refunds shall be given in the following situations: overpayment; death or permanent disability before the effective date of a license; or an individual's ineligibility for licensure. Applicants determined ineligible to receive a license will be refunded the license fee minus any processing fee and minus any application fee this section requires.

Subd. 3. **Other licenses.** A licensee who applies for licensing in a second category shall pay the full license fee and application fee for the second category of license.

Subd. 4. **License expiration date.** The board shall, in a manner determined by the board and without the need for rulemaking under chapter 14, phase in changes to initial and renewal license expiration dates so that by January 1, 2014:

(1) individual licenses expire on the last day of the licensee's birth month of the year due; and

(2) salon licenses expire on the last day of the month of initial licensure of the year due.

Subd. 5. **Board must approve or deny application; timeline.** Within 15 working days of receiving a complete application and the required fees for an initial or renewal individual or salon license, the board must (1) either grant or deny the application, (2) issue the license or notify the applicant of the denial, or (3) issue a temporary license to an applicant for whom no record exists regarding: (i) a complaint filed with the board against the applicant; or (ii) a negative action by the board against the applicant.

Sec. 13. Minnesota Statutes 2008, section 326B.148, subdivision 1, is amended to read:

Subdivision 1. **Computation.** To defray the costs of administering sections 326B.101 to 326B.194, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge receipts to award grants for code research and development and education.

If the fee for the permit issued is fixed in amount the surcharge is equivalent to one-half mill (.0005) of the fee or 50 cents, except that effective July 1, 2010, until June 30, 2011, the permit surcharge is equivalent to one-half mill (.0005) of the fee or \$5, whichever amount is greater. For all other permits, the surcharge is as follows:

(1) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the surcharge is equivalent to one-half mill (.0005) of the valuation of the structure, addition, or alteration;

(2) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths mill (.0004) of the value between \$1,000,000 and \$2,000,000;

(3) if the valuation is greater than \$2,000,000, the surcharge is \$900 plus three-tenths mill (.0003) of the value between \$2,000,000 and \$3,000,000;

(4) if the valuation is greater than \$3,000,000, the surcharge is \$1,200 plus one-fifth mill (.0002) of the value between \$3,000,000 and \$4,000,000;

(5) if the valuation is greater than \$4,000,000, the surcharge is \$1,400 plus one-tenth mill (.0001) of the value between \$4,000,000 and \$5,000,000; and

(6) if the valuation exceeds \$5,000,000, the surcharge is \$1,500 plus one-twentieth mill (.00005) of the value that exceeds \$5,000,000.

Sec. 14. **RULEMAKING.**

Subdivision 1. **Conforming changes.** The Board of Cosmetologist Examiners must amend Minnesota Rules, parts 2105.0200 and 2105.0330, to conform to the license expiration date requirements of Minnesota Statutes, section 155A.25, subdivision 4, by specifying that individual or salon licenses expire on the last day of an individual's birth month of the year due, or on the last day of the month of initial licensure of the year due.

Subd. 2. **Good cause exemption.** The Board of Cosmetologist Examiners must use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt the rules required by this section. Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

Sec. 15. **EXPEDITED RULES; PLUMBING BOARD.**

The Plumbing Board shall have expedited rulemaking authority provided under Minnesota Statutes, section 14.389 for expedited rules regarding water-free urinals that meet the Minnesota Plumbing Board standards. This authority expires December 31, 2010.

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

Sec. 16. **REPEALER.**

Minnesota Statutes 2008, sections 154.07, subdivision 5; and 176.135, subdivision 1b, are repealed."

Delete the title and insert:

"A bill for an act relating to the financing of government; appropriating money or reducing appropriations for state government, higher education and economic development, environment and natural resources, activities or programs of Department of Commerce, agriculture, veterans affairs, transportation, public safety, judiciary, Uniform Laws Commission, Private Detective Board, human rights, corrections, Sentencing Guidelines Commission, minority boards, public facilities authority, tourism, humanities, public broadcasting, zoos, science museum, and Housing Finance Agency; modifying loan, grant, and scholarship provisions; funding certain projects for veterans; increasing bond limits; establishing a central system office and governing credit transfers for the Minnesota State Colleges and Universities; requiring bond issues for certain projects; modifying investment disposition of mineral fund; modifying mineral fund payments in lieu of taxes; providing for or modifying certain provisions relating to membership of tourism council and film and TV reimbursement amounts; modifying provisions relating to continuing education for certain licensed occupations, securities transaction exemptions, mortgages, and operation

of state government; modifying certain Boards of Barber Examiners and Cosmetology provisions; establishing a new trunk highway emergency relief account; amending provisions related to trunk highway bonding, hazardous materials permits, fire safety account, uses of public safety service fee, grants for emergency shelters, and in-service training for peace officers; authorizing county sentence to service programs to charge fees; changing provisions relating to agriculture and veterans affairs; changing provisions for expenses of governor-elect, disposal of old state-owned buildings, public access to parking spaces, fleet management, and lease purchase agreements; providing for operation of a state recycling center and a state Webmaster for state Web sites; providing for Web access to appropriations information; requiring two-sided printing for state use; requiring standards to enhance public access to state electronic data; creating a commission to reengineer delivery of government services; providing for transfers to Help America Vote Act account; changing and creating funds and accounts; modifying provisions for tax return preparers; requesting proposals for enhancing the state's tax collection process and revenues; authorizing and adjusting fees; establishing a pilot project; making technical changes; requiring reports; providing for rulemaking; amending Minnesota Statutes 2008, sections 4.51; 16B.04, subdivision 2; 16B.24, subdivision 3; 16B.48, subdivision 2; 16E.04, subdivision 2; 16E.05, by adding a subdivision; 18G.07; 79.34, subdivision 1; 80A.46; 80A.65, subdivision 1; 97A.061, subdivision 1; 103G.705, subdivision 2; 115A.15, subdivision 6; 116L.17, subdivision 2; 116U.25; 116U.26; 136A.121, subdivision 6; 136A.1701, subdivision 4; 136A.29, subdivision 9; 154.06; 154.065, subdivision 2; 154.07, by adding a subdivision; 154.15, by adding a subdivision; 161.04, by adding a subdivision; 297I.06, subdivision 3; 326B.148, subdivision 1; 403.11, subdivision 1; 471.6175, subdivision 4; 477A.12, subdivision 1; 611A.32, subdivisions 1, 2; 626.8458, subdivision 5; Minnesota Statutes 2009 Supplement, sections 16A.82; 16E.02, subdivision 1; 45.30, subdivision 6; 136A.121, subdivision 9; 136F.98, subdivision 1; 154.002; 154.003; 155A.23, by adding a subdivision; 155A.24, subdivision 2, by adding subdivisions; 155A.25; 190.19, subdivision 2a; 198.003, subdivision 4a; 270C.145; 289A.08, subdivision 16; 298.294; 299A.45, subdivision 1; 357.021, subdivision 7; Laws 2007, chapter 45, article 1, section 3, subdivisions 4, as amended, 5, as amended; Laws 2008, chapter 152, article 2, section 3, subdivision 2; Laws 2009, chapter 37, article 2, section 13; Laws 2009, chapter 78, article 1, section 3, subdivision 2; article 7, section 2; Laws 2009, chapter 83, article 1, sections 10, subdivisions 4, 7; 11; 14, subdivision 2; Laws 2009, chapter 94, article 1, section 3, subdivision 5; article 3, section 2, subdivision 3; Laws 2009, chapter 95, article 1, sections 3, subdivisions 6, 21; 5, subdivision 2; Laws 2009, chapter 101, article 1, section 31; proposing coding for new law in Minnesota Statutes, chapters 10; 15B; 16A; 16B; 97A; 136A; 136F; 631; repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 136A.127, subdivisions 1, 3, 5, 6, 7, 10, 11; 154.07, subdivision 5; 176.135, subdivision 1b; 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18; Minnesota Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision 9b; 136A.127, subdivisions 2, 4, 9, 9b, 10a, 14."

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

The report was adopted.

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

H. F. No. 1680, A resolution apologizing on behalf of citizens of the state to all persons with mental illness and developmental and other disabilities who have been wrongfully committed to state institutions.

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. 1718, A bill for an act relating to transportation; modifying application procedures and requirements for driver's license; amending Minnesota Statutes 2008, section 171.06, subdivision 3; repealing Minnesota Rules, part 7410.0410.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 171.06, subdivision 3, is amended to read:

Subd. 3. ~~Contents of Application; other information requirements.~~ requirements. (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant certifies that the applicant does not have a Social Security number;

(4) contain a space where the applicant may indicate a desire to make an anatomical gift according to paragraph (b);

(5) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7; ~~and~~

(6) contain a space where the applicant may request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a; and

(7) contain a space where the applicant must attest to a residence address in Minnesota.

(b) If the applicant does not indicate a desire to make an anatomical gift when the application is made, the applicant must be offered a donor document in accordance with section 171.07, subdivision 5. The application must contain statements sufficient to comply with the requirements of the Darlene Luther Revised Uniform Anatomical Gift Act, chapter 525A, so that execution of the application or donor document will make the anatomical gift as provided in section 171.07, subdivision 5, for those indicating a desire to make an anatomical gift. The application must be accompanied by information describing Minnesota laws regarding anatomical gifts and the need for and benefits of anatomical gifts, and the legal implications of making an anatomical gift, including the law governing revocation of anatomical gifts. The commissioner shall distribute a notice that must accompany all applications for and renewals of a driver's license or Minnesota identification card. The notice must be prepared in conjunction with a Minnesota organ procurement organization that is certified by the federal Department of Health and Human Services and must include:

(1) a statement that provides a fair and reasonable description of the organ donation process, the care of the donor body after death, and the importance of informing family members of the donation decision; and

(2) a telephone number in a certified Minnesota organ procurement organization that may be called with respect to questions regarding anatomical gifts.

(c) The application must be accompanied also by information containing relevant facts relating to:

(1) the effect of alcohol on driving ability;

(2) the effect of mixing alcohol with drugs;

(3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and

(4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

(d) A government identification card is (1) an acceptable form of proof of identity in application for a Minnesota identification card, instruction permit, or driver's license; and (2) a primary document for purposes of Minnesota Rules, part 7410.0400.

(e) For purposes of this section, "government identification card" means an official form of governmental identification issued by a country other than the United States, that contains:

(1) the full name and date of birth of the cardholder;

(2) a photograph identifying the cardholder;

(3) a unique identification number; and

(4) security features that make the card as impervious to alteration as is reasonably practicable in its design and quality of material and technology, using materials that are not readily available to the general public.

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

Sec. 2. **REPEALER.**

Minnesota Rules, part 7410.0410, is repealed.

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

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. 1734, A bill for an act relating to environment; authorizing establishment of basin boards; authorizing taxing authority; appropriating money; amending Minnesota Statutes 2008, sections 103B.101, subdivision 9; 103B.102, subdivision 2; 103B.231, subdivision 4; 103B.245, subdivision 1; 103B.3369, subdivisions 2, 5; 103D.205, subdivision 3; 103D.401, subdivision 1; 275.066; proposing coding for new law in Minnesota Statutes, chapters 103A; 103B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[103A.212] BASIN WATERSHED MANAGEMENT POLICY.**

The quality of life of every Minnesotan depends on water. Minnesota's rivers, lakes, streams, wetlands, and groundwater provide a foundation for the state's recreational, municipal, commercial, industrial, agricultural, environmental, aesthetic, and economic well-being. The legislature finds that it is in the public interest to manage water resources from the perspective of watersheds and river basins to achieve protection, preservation, enhancement, and restoration of the state's valuable water resources.

Sec. 2. Minnesota Statutes 2008, section 103B.101, subdivision 9, is amended to read:

Subd. 9. **Powers and duties.** In addition to the powers and duties prescribed elsewhere, the board shall:

(1) coordinate the water and soil resources planning activities of counties, soil and water conservation districts, watershed districts, watershed management organizations, and any other local units of government through its various authorities for approval of local plans, administration of state grants, and by other means as may be appropriate;

(2) facilitate communication and coordination among state agencies in cooperation with the Environmental Quality Board, and between state and local units of government, in order to make the expertise and resources of state agencies involved in water and soil resources management available to the local units of government to the greatest extent possible;

(3) coordinate state and local interests with respect to the study in southwestern Minnesota under United States Code, title 16, section 1009;

(4) develop information and education programs designed to increase awareness of local water and soil resources problems and awareness of opportunities for local government involvement in preventing or solving them;

(5) provide a forum for the discussion of local issues and opportunities relating to water and soil resources management;

(6) adopt an annual budget and work program that integrate the various functions and responsibilities assigned to it by law; ~~and~~

(7) report to the governor and the legislature by October 15 of each even-numbered year with an assessment of board programs and recommendations for any program changes and board membership changes necessary to improve state and local efforts in water and soil resources management; and

(8) report to the legislature by January 15 of each even-numbered year on the progress being made to further the basin watershed management policy established under section 103A.212.

The board may accept grants, gifts, donations, or contributions in money, services, materials, or otherwise from the United States, a state agency, or other source to achieve an authorized purpose. The board may enter into a contract or agreement necessary or appropriate to accomplish the transfer. The board may receive and expend money to acquire conservation easements, as defined in chapter 84C, on behalf of the state and federal government consistent with the Camp Ripley's Army Compatible Use Buffer Project.

Any money received is hereby appropriated and dedicated for the purpose for which it is granted.

Sec. 3. Minnesota Statutes 2008, section 103B.102, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purposes of this section, "local water management entities" means basin boards, watershed districts, soil and water conservation districts, metropolitan water management organizations, and counties operating separately or jointly in their role as local water management authorities under chapter 103B, 103C, 103D, or 103G and chapter 114D.

Sec. 4. **[103B.176] DEFINITIONS.**

(a) For the purposes of sections 103B.176 to 103B.18, the following terms have the meanings given.

(b) "Basin board" means a basin board established under section 103B.178 or 103B.179.

(c) "Local water management organizations" means watershed districts, soil and water conservation districts, metropolitan water management organizations, lake improvement districts, lake conservation districts, and counties under chapters 103B, 103C, 103D, and 114.

(d) "Watershed management entity" means: (1) a watershed district under chapter 103D; (2) a watershed management organization under section 103B.211; or (3) a formally organized joint powers organization of counties, cities, soil and water conservation districts, and watershed districts located outside the seven-county metropolitan area as defined under section 473.121, subdivision 4, encompassing one or more of the state's major watersheds as determined by the Board of Water and Soil Resources. A lake improvement district is not a watershed management entity.

Sec. 5. **[103B.177] BASIN WATERSHED MANAGEMENT.**

Subdivision 1. **Basin management purposes.** The purposes of the basin watershed management approach are to:

- (1) protect, preserve, and use natural surface water and groundwater storage and retention systems;
- (2) maximize benefits of public capital expenditures needed to correct flooding and water quality problems;
- (3) identify and plan for means to effectively protect and improve surface water and groundwater quality;
- (4) establish more uniform policies, goals, and objectives for surface water and groundwater management;
- (5) prevent erosion of soil and associated pollutants into surface water systems;
- (6) promote groundwater recharge;
- (7) protect and enhance fish and wildlife habitat;
- (8) secure other benefits associated with the sustainable use and management of surface water and groundwater resources;
- (9) promote coordination and cooperation among local water management organizations;
- (10) work with other public agencies and citizen volunteers collecting scientific data used to identify and restore impaired waters; and

(11) facilitate resolution of water resources conflicts.

Subd. 2. **Basin boards.** (a) Basin boards may be established in each of the state's major river basins. Basin boards shall be established by petition under section 103B.178 in the following major river basins:

(1) Rainy River Basin;

(2) Great Lakes Basin;

(3) St. Croix River Basin;

(4) Middle Mississippi River Basin;

(5) Lower Mississippi-Cedar Rivers Basin;

(6) Missouri-Des Moines Rivers Basin;

(7) Upper Mississippi River Basin; and

(8) Minnesota River Basin.

(b) The board for the Red River of the North Basin shall be the Red River Watershed Management Board established under Laws 1976, chapter 162. The Red River Watershed Management Board may reorganize and establish itself under the petition for amendment process under section 103B.179. Until the Red River Watershed Management Board is established under section 103B.179, the board shall continue to operate under Laws 1976, chapter 162.

Subd. 3. **Membership; organization.** (a) Membership of the basin boards under subdivision 2, paragraph (a), consists of one member from each of the existing watershed management entities within the basin and one member from each of the major watershed units where there is no watershed management entity. The governing body for each watershed management entity shall appoint one member. If no watershed management entity exists, the counties and soil and water conservation districts located wholly or partially within, or any watershed district located partially within, each major watershed unit shall jointly appoint one member that resides in the major watershed unit. A member of a basin board must be a county commissioner, a soil and water conservation district supervisor, a watershed district manager, or an elected city official.

(b) Each basin board established by petition under section 103B.178 shall annually elect from among its members a chair, vice-chair, and secretary-treasurer who shall serve for concurrent three-year terms. The chair shall preside over all meetings of the basin board and may call special meetings at reasonable times and with adequate notice, when necessary. The vice-chair shall preside over the meetings of the basin board in the absence of the chair. The secretary-treasurer or the designee of the secretary-treasurer shall keep a record of all proceedings of the basin board. The secretary-treasurer shall provide for the proper receipt and disbursement of funds.

Subd. 4. **Advisory committee.** (a) A basin board must appoint an advisory committee to advise and assist the basin board on all matters affecting the interests of the basin and make recommendations to the basin board on all projects and improvements proposed by the basin board.

(b) The advisory committee consists of at least six members. The members of the advisory committee shall be from the advisory committees of the watershed management entities within the basin. If no watershed management entity exists, the advisory committee member shall be appointed in the same manner as the basin membership under subdivision 3. The members must be residents of the basin and shall serve two-year terms.

Subd. 5. **Basin management plans.** Within 24 months of establishment under section 103B.178 or 103B.179, a basin board shall adopt a basin management plan as approved by the Board of Water and Soil Resources.

Subd. 6. **Watershed management entity plans.** Within 120 days of basin board establishment under section 103B.178 or 103B.179, all watershed management entity plans and local water plans developed under sections 103B.231, 103B.235, 103B.255, 103B.311, 103B.501, 103B.601, 103B.651, 103C.331, subdivision 11, and 103D.401, shall be submitted to the basin board for review and comment on the consistency of the proposed plan with the basin management plan. A county or soil and water conservation district may use the watershed management entity plan to meet the local water management plan requirements of sections 103B.311 and 103C.331, subdivision 11.

Subd. 7. **Taxing and other authority.** (a) For taxes levied the year following the establishment of the basin board and thereafter, a basin board with taxing authority under paragraph (b) or a county with taxing authority under paragraph (c) may levy an ad valorem tax not to exceed 0.048 percent of the taxable market value of all property within the basin, or \$1,000,000, whichever is less. A levy under this subdivision is in addition to any other levy authorized by statute. The levy shall be allocated as follows:

(1) one-half of the levy shall be credited to the general fund of the basin board and shall be used: (i) to develop and implement the basin board's management plan; and (ii) for water resource projects and programs of benefit to the basin. The basin board must adopt criteria for application and allocation of these funds by the basin board; and

(2) the remaining one-half of the levy shall be credited to the watershed management fund of the watershed management entity for development, construction, maintenance, implementation, and operation of projects and programs of benefit to the watershed and basin for the restoration, enhancement, preservation, and protection of water and related land resources. If no watershed management entity exists for a major watershed unit, the levy under this clause shall be credited to the county and held by the county until a watershed management entity is established, at which time the funds shall be transferred for use by the watershed management entity.

(b) A basin board may establish taxing authority under this section if the majority of the members of the basin board are elected officials at the time the levy is established. A basin board with taxing authority under this section is a special taxing district under section 275.066.

(c) A county may levy a tax under paragraph (a) on behalf of a basin board when a basin board does not have taxing authority under paragraph (b). A county levying under this section is a special taxing district under section 275.066.

(d) A basin board may hire or contract for goods and services to carry out its responsibilities under this section.

(e) A basin board has the authority to participate in interstate and international basin organizations that are geographically and hydrologically connected with the basin.

(f) A basin board is eligible for funding from the clean water fund under section 114D.50, provided the basin board meets the requirements established under section 103B.18, subdivision 1.

(g) A basin board may enter into joint powers agreements under section 471.59.

Sec. 6. [103B.178] ESTABLISHMENT PETITION.

Subdivision 1. **Filing.** To establish a basin board as permitted under section 103B.177, an establishment petition must be filed with the Board of Water and Soil Resources.

Subd. 2. **Requirements.** The establishment petition must state:

(1) the name of the proposed basin board;

(2) the major river basin under section 103B.177 to be represented by the board, including a map and description of the property to be included;

(3) the membership structure of the board meeting the requirements under section 103B.177, subdivision 3; and

(4) whether the board intends to meet the elected official requirements for establishing taxing authority under section 103B.177, subdivision 7.

Subd. 3. **Signatures.** The establishment petition must be signed by one or more of the following groups:

(1) one-half or more of the counties, soil and water conservation districts, or watershed districts located wholly or partially within the basin;

(2) counties, soil and water conservation districts, or watershed districts collectively having 50 percent or more of the area within the basin;

(3) cities that represent the majority of city residents within the basin; or

(4) 50 or more resident owners residing in a watershed from at least 25 percent of the watersheds within the basin, excluding resident owners within the corporate limits of a city if the city has signed the petition.

Subd. 4. **Filing establishment petitions.** (a) The petitioners must file a copy of the original establishment petition with a signed statement of delivery or receipt with the auditors of affected counties and with the Board of Water and Soil Resources.

(b) An auditor that receives a copy of an establishment petition must determine whether the petitioners are resident owners from the tax records. The tax records are prima facie evidence of ownership. The auditor must certify the number of petitioners that are resident owners and file the certification with the Board of Water and Soil Resources.

(c) After receiving a copy of the establishment petition, the Board of Water and Soil Resources shall acknowledge that an establishment petition has been received and prepare a preliminary river basin map and a preliminary report about the basin.

Subd. 5. **Similar and duplicate establishment petitions.** Similar and duplicate establishment petitions for the same proposed basin board may be filed and regarded as one establishment petition. All establishment petitions filed before the establishment hearing must be considered by the Board of Water and Soil Resources as part of the original petition.

Subd. 6. **Defective establishment petition.** An establishment petition that has the requisite number of petitioner signatures may not be dismissed because of defects in the establishment petition. The Board of Water and Soil Resources must allow petitioners to amend a defective establishment petition at any time before the end of the establishment hearing.

Subd. 7. **Withdrawal of petitioners.** After an establishment petition has been filed, a petitioner may not withdraw from the establishment petition unless the withdrawing petitioner obtains the written consent of all other petitioners and files the written consent with the Board of Water and Soil Resources.

Subd. 8. **Hearings; notice.** (a) After receiving an establishment petition, the Board of Water and Soil Resources must determine whether the establishment petition has the requisite number of petitioner signatures. If the establishment petition does not have the requisite number of petitioners, the board must dismiss the establishment petition and return it to the petitioners with an explanation of why the petition was dismissed. If the board determines that an establishment petition has the requisite number of petitioner signatures, the board must, by order, set a time and location for hearings on the establishment petition within 35 days after the board's determination. The hearings must be held within the limits of the basin to be established unless the board determines a suitable place is not located within the basin and selects a place within the limits of a county that would be affected by the proposed basin board.

(b) The Board of Water and Soil Resources must give notice of the establishment hearings by publication in a legal newspaper that is published in counties affected by the proposed basin board. The last publication must occur at least ten days before the last establishment hearing. The board must give notice of the establishment hearings to the commissioners of natural resources, agriculture, health, and the Pollution Control Agency and to the auditors of counties and the chief executive officials of municipalities affected by the proposed basin board. The notice must include:

(1) a statement that an establishment petition has been filed with the board and auditors of counties affected by the proposed basin board;

(2) a general description of the need for the basin board;

(3) a general description of the property to be included in the basin represented by the proposed board;

(4) the date, time, and location of the hearings; and

(5) a statement that all persons affected or interested in the establishment of the basin board may attend and give statements at the establishment hearings.

(c) The Board of Water and Soil Resources must allow all persons interested in or affected by the proposed basin board an opportunity to make oral and written statements at the establishment hearings. The board may continue the establishment hearings.

Subd. 9. **Establishment order.** (a) If the Board of Water and Soil Resources determines after the establishment hearings that the establishment of the proposed basin board would benefit the public welfare and public interest, the board must, by order, establish the basin board. The order of the board establishing the basin board must include:

(1) the findings of the board supporting its determination to establish the basin board;

(2) the official name of the basin board;

(3) the location of the principal place of business of the basin board;

(4) the boundaries of the basin to be represented by the basin board; and

(5) the membership of the basin board.

(b) The Board of Water and Soil Resources must file a certified copy of the findings and order establishing a basin board with the secretary of state and, at the same time:

(1) mail a copy of the findings and order to the auditor of each county affected by the basin board and to the commissioners of natural resources, agriculture, health, and the Pollution Control Agency; and

(2) have each basin board member personally served with a copy of the order.

(c) A basin board established under this section exists from the time the order establishing the basin board is filed with the secretary of state until the basin board is terminated under section 103B.179.

Sec. 7. **[103B.179] AMENDMENTS AND TERMINATION.**

Subdivision 1. **Amendment process.** An establishment order for a basin board may be amended as provided in this section. A proceeding to amend an establishment order must be initiated by a petition to the Board of Water and Soil Resources requesting the amendment. Amendments may include changes to the boundaries of the area represented by the basin board, withdrawal of a portion of the area represented, additions to the area represented, or consolidation of areas represented. The Red River Watershed Management Board may reorganize and establish itself under this section as provided under section 103B.177.

Subd. 2. **Petition.** (a) A petition for an amendment to an establishment order for a basin board must include:

(1) the name of the basin boards affected by any of the proposed changes;

(2) a description, in general terms, of the property affected by the proposed changes;

(3) reasons for the proposed changes;

(4) by illustration in a map, the proposed changes; and

(5) a request for the Board of Water and Soil Resources to establish the proposed changes.

(b) A petition for an amendment must be signed by:

(1) one-half or more of the counties, soil and water conservation districts, or watershed districts located wholly or partially within the basin;

(2) counties, soil and water conservation districts, or watershed districts collectively having 50 percent or more of the area within the basin;

(3) cities that represent the majority of city residents within the basin;

(4) 50 or more resident owners residing in a watershed from at least 25 percent of the watersheds within the basin, excluding resident owners within the corporate limits of a city if the city has signed the petition; or

(5) the basin board by passage of a resolution authorizing the amendment.

Subd. 3. **Hearings.** The Board of Water and Soil Resources must set a time and location for hearings and give notice of the hearings in the same manner as establishment hearings. If a petition for an amendment involves a common boundary of two or more areas represented by established basin boards, the Board of Water and Soil Resources must determine the basin where the hearings will be held.

Subd. 4. **Establishment of amendment.** (a) After the hearings on the petition for an amendment, the Board of Water and Soil Resources must establish the proposed amendment, by order, if the board determines that establishment of the proposed amendment would benefit the public welfare and public interest and the proposed amendment would advance the purpose of this chapter.

(b) In the order establishing the amendment, the board must include:

(1) the findings of the board supporting its determination to establish the amendment; and

(2) the boundaries of the areas represented by the basin boards affected by the amendment.

(c) The board must file a certified copy of the findings and order establishing the amendment with the secretary of state and, at the same time, mail a copy of the order to the auditors of counties affected by the change, the commissioners of natural resources, agriculture, health, and the Pollution Control Agency, and the members of basin boards affected by the change. The amendment is effective the day the certified order establishing the amendment is filed with the secretary of state.

Subd. 5. **Termination process.** A basin board may be terminated under this section. Proceedings for the termination of a basin board may only be initiated by filing a termination petition with the Board of Water and Soil Resources. The board may not accept a termination petition within five years from the date of a basin board's establishment. The board may not make determinations or accept termination petitions for basin boards more than once in five years.

Subd. 6. **Termination petition; certification.** (a) A termination petition must be signed by at least 25 percent of the resident owners from each of at least 50 percent of the watersheds in the area represented by the basin board. The termination petition must state that the existence of the basin board does not benefit the public welfare and public interest and the basin board is not needed to accomplish the purposes of this chapter. The petitioners must file a copy of the termination petition with the auditors of the counties affected by the basin board. The original termination petition with a statement signed for delivery or receipt of each of the termination petitions submitted to the auditors of counties affected by the basin board must be filed with the Board of Water and Soil Resources.

(b) An auditor who receives a termination petition must determine from the tax records whether the petitioners are resident owners within the area represented by the basin board. The auditor must certify the number of petitioners that are resident owners and file the certification with the Board of Water and Soil Resources.

Subd. 7. **Termination hearing; notice.** (a) When the Board of Water and Soil Resources determines a termination petition has been filed that meets the requirements of this section, the board must, by order, set a time within 35 days after its determination and a location within the area represented by the basin board for a termination hearing.

(b) The board must give notice of the termination hearing by publication in a legal newspaper that is published in counties affected by the basin board. The last publication must occur at least ten days before the termination hearing.

(c) The board must give notice of the termination hearing by mail to the auditors of counties and the chief executive officials of municipalities affected by the basin board.

(d) The notice must include:

(1) a statement that a termination petition has been filed with the board and auditors of the counties affected by the basin board;

(2) a general description of why the basin board is to be terminated;

(3) a general description of the property within the area represented by the basin board;

(4) the date, time, and location of the hearing; and

(5) a statement that all persons affected by or interested in the basin board may attend and give statements at the termination hearing.

(e) The Board of Water and Soil Resources must allow all persons affected by or interested in the basin board to make oral and written statements at the termination hearing. The board may continue the termination hearing.

Subd. 8. **Termination order.** If, after the termination hearing, the Board of Water and Soil Resources determines that the existence of the basin board does not benefit the public welfare and public interest and the basin board is not needed to accomplish the purpose of this chapter, the board must issue a termination order. The termination order must include findings that support termination of the basin board and a statement that the basin board is terminated. The board must file a certified copy of the termination order with the secretary of state. A basin board ceases to be a political subdivision and ceases to exist when a termination order for the basin board is filed with the secretary of state.

Sec. 8. **[103B.18] STANDARDS AND OVERSIGHT.**

Subdivision 1. **Standards.** A basin board may, in its basin management plan, adopt additional performance and operational standards for its member watershed management entities. A basin board, water management entity, or other local water management organization is not eligible for funds from the clean water legacy account under section 114D.45 or from the clean water fund under section 114D.50 unless:

(1) it is formally organized;

(2) it has a water plan approved by the Board of Water and Soil Resources;

(3) there is cooperation, coordination, and implementation on a watershed basin basis; and

(4) nonstate matching funds are available.

Subd. 2. **Corrective actions.** (a) In addition to any other powers granted to the Board of Water and Soil Resources, the Board of Water and Soil Resources has the authority to intervene for the purpose of resolving disputes between a basin board and its member watershed management entities and between watershed management entities.

(b) A basin board may petition the Board of Water and Soil Resources to establish a watershed district if deficiencies identified by the Board of Water and Soil Resources are not corrected within two years. The Board of Water and Soil Resources may, after public notice and hearing, declare a watershed management organization nonimplementing and initiate proceedings for establishment of a watershed district.

Sec. 9. Minnesota Statutes 2008, section 103B.231, subdivision 4, is amended to read:

Subd. 4. **General standards.** (a) The watershed management plan must specify the period covered by the plan and must extend at least five years but no more than ten years from the date the board approves the plan. Plans that contain revision dates inconsistent with this section must comply with that date, provided it is not more than ten years beyond the date of board approval.

(b) The plan must be reviewed for consistency with an adopted county groundwater plan, and revised to the degree necessary to become compliant with the groundwater plan no later than two years after adoption by the county. A one-year extension may be granted by the board. Upon the request of a watershed management organization, the county shall provide a written statement that:

(1) identifies any substantial inconsistencies between the watershed plan and the groundwater plan and any substantial adverse effects of the watershed plan on the groundwater plan; and

(2) evaluates, estimates the cost of, and recommends alternatives for amending the watershed plan to rectify any substantial inconsistencies and adverse effects.

(c) The plan shall contain the elements required by subdivision 6. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 103B.205 to 103B.255, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed.

(d) Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 103B.205 to 103B.255.

(e) Watershed management organizations shall coordinate their planning activities with basin boards, contiguous watershed management organizations and counties conducting water planning and implementation under sections 103B.101 and 103B.301 to 103B.355.

(f) The plan must be consistent with the basin watershed management policy established in section 103A.212.

Sec. 10. Minnesota Statutes 2008, section 103B.245, subdivision 1, is amended to read:

Subdivision 1. **Watershed management tax district.** (a) Any local government unit planning for water management under ~~sections~~ section 103B.177, 103B.178, 103B.231 and, or 103B.235 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under ~~sections~~ section 103B.177, 103B.231 and, or 103B.235.

(b) Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 103B.177, 103B.178, or 103B.231 and which has a local water management plan adopted in accordance with section 103B.177, 103B.178, or 103B.235 may establish a watershed management tax district in the territory within the watershed or a subwatershed unit in the watershed, for the purpose of paying capital costs of the water management facilities described in the capital improvement program of the plans and for the purpose of paying for normal and routine maintenance of the facilities.

(c) A county or counties required by section 103B.231, subdivision 3, to prepare, adopt, and implement a watershed plan shall apportion the costs of planning, capital improvements, and maintenance proportionate to benefits. The county may apportion the costs among the subwatershed units in the watershed, or among the statutory and home rule charter cities and towns having territory in the watershed, and for this purpose may establish more than one watershed management tax district in the watershed.

(d) Notification of new watershed management tax districts established under this subdivision must be made to the county auditor by July 1 in order to be effective for taxes payable in the following year.

Sec. 11. Minnesota Statutes 2008, section 103B.3369, subdivision 2, is amended to read:

Subd. 2. **Establishment.** A local water resources protection and management program is established. The board may provide financial assistance to local units of government or to basin boards as defined in section 103B.176, paragraph (b), for activities that protect or manage water and related land quality. The activities include planning, zoning, official controls, and other activities to implement local water management plans.

Sec. 12. Minnesota Statutes 2009 Supplement, section 103B.3369, subdivision 5, is amended to read:

Subd. 5. **Financial assistance.** (a) A base grant may be awarded to a county that provides a match utilizing a water implementation tax or other local source. A water implementation tax that a county intends to use as a match to the base grant must be levied at a rate determined by the board. The minimum amount of the water implementation tax shall be a tax rate times the adjusted net tax capacity of the county for the preceding year. The rate shall be the rate, rounded to the nearest .001 of a percent, that, when applied to the adjusted net tax capacity for all counties, raises the amount of \$1,500,000. The base grant will be in an amount equal to \$37,500 less the amount raised by the local match. If the amount necessary to implement the local water plan for the county is less than \$37,500, the amount of the base grant shall be the amount that, when added to the match amount, equals the amount required to implement the plan. For counties where the tax rate generates an amount equal to or greater than \$18,750, the base grant shall be in an amount equal to \$18,750.

(b) A base grant may be awarded to a basin board as defined in section 103B.176, paragraph (b), for the development and implementation of a basin management plan under section 103B.177, subdivision 5.

Sec. 13. Minnesota Statutes 2008, section 103D.205, subdivision 3, is amended to read:

Subd. 3. **Signatures.** The establishment petition must be signed by one or more of the following groups:

- (1) one-half or more of the counties within the proposed watershed district;
- (2) counties having 50 percent or more of the area within the proposed watershed district;
- (3) a majority of the cities within the proposed watershed district; ~~or~~
- (4) 50 or more resident owners residing in the proposed watershed district, excluding resident owners within the corporate limits of a city if the city has signed the petition; or
- (5) a basin board as defined under section 103B.176, paragraph (b).

Sec. 14. Minnesota Statutes 2008, section 103D.401, subdivision 1, is amended to read:

Subdivision 1. **Contents.** (a) The managers must adopt a watershed management plan for any or all of the purposes for which a watershed district may be established. The watershed management plan must give a narrative description of existing water and water-related problems within the watershed district, possible solutions to the problems, and the general objectives of the watershed district. The watershed management plan must also conform closely with watershed management plan guidelines as adopted and amended from time to time by the Board of Water and Soil Resources and be consistent with the basin watershed management policy established in section 103A.212.

(b) The watershed management plan may include a separate section on proposed projects. If the watershed district is within the metropolitan area, the separate section of proposed projects or petitions for projects to be undertaken according to the watershed management plan is a comprehensive plan of the watershed district for purposes of review by the Metropolitan Council under section 473.165.

Sec. 15. Minnesota Statutes 2009 Supplement, section 275.066, is amended to read:

275.066 SPECIAL TAXING DISTRICTS; DEFINITION.

For the purposes of property taxation and property tax state aids, the term "special taxing districts" includes the following entities:

- (1) watershed districts under chapter 103D;

- (2) sanitary districts under sections 115.18 to 115.37;
- (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- (4) regional public library districts under section 134.201;
- (5) park districts under chapter 398;
- (6) regional railroad authorities under chapter 398A;
- (7) hospital districts under sections 447.31 to 447.38;
- (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- (10) regional development commissions under sections 462.381 to 462.398;
- (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- (12) port authorities under sections 469.048 to 469.068;
- (13) economic development authorities under sections 469.090 to 469.1081;
- (14) Metropolitan Council under sections 473.123 to 473.549;
- (15) Metropolitan Airports Commission under sections 473.601 to 473.680;
- (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- (17) Morrison County Rural Development Financing Authority under Laws 1982, chapter 437, section 1;
- (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;
- (19) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections 1 to 6;
- (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5, section 39;
- (21) Middle Mississippi River Watershed Management Organization under sections 103B.211 and 103B.241;
- (22) emergency medical services special taxing districts under section 144F.01;
- (23) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;
- (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home under Laws 2003, First Special Session chapter 21, article 4, section 12;
- (25) an airport authority created under section 360.0426; ~~and~~
- (26) a basin board or county under section 103B.177; and

(27) any other political subdivision of the state of Minnesota, excluding counties, school districts, cities, and towns, that has the power to adopt and certify a property tax levy to the county auditor, as determined by the commissioner of revenue."

Delete the title and insert:

"A bill for an act relating to environment; authorizing establishment of basin boards; authorizing taxing authority; amending Minnesota Statutes 2008, sections 103B.101, subdivision 9; 103B.102, subdivision 2; 103B.231, subdivision 4; 103B.245, subdivision 1; 103B.3369, subdivision 2; 103D.205, subdivision 3; 103D.401, subdivision 1; Minnesota Statutes 2009 Supplement, sections 103B.3369, subdivision 5; 275.066; proposing coding for new law in Minnesota Statutes, chapters 103A; 103B."

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

The report was adopted.

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

H. F. No. 2360, A bill for an act relating to Special School District No. 1, Minneapolis; providing for two members appointed by Special School District No. 1, Minneapolis, on the Minneapolis redistricting commission; establishing standards.

Reported the same back with the following amendments:

Page 2, line 4, delete "not more than twice"

Page 2, line 5, delete "as long as it is wide"

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. 2450, A bill for an act relating to human services; modifying the personal care assistance program; amending Minnesota Statutes 2009 Supplement, section 256B.0659, subdivisions 11, 13, 21, 27.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 3, line 29, delete everything after "currently"

Page 3, line 30, delete everything before "certified"

Page 5, line 21, delete everything after "currently"

Page 5, line 22, delete "or"

Page 6, line 3, delete everything after "currently"

Page 6, line 4, delete everything before "certified"

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. 2561, A bill for an act relating to highways; designating a Veterans Memorial Bridge on marked Trunk Highway 95 in the city of North Branch; amending Minnesota Statutes 2008, section 161.14, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 2575, A bill for an act relating to highways; designating the Corporal Johnathan Benson Memorial Highway in the city of North Branch; amending Minnesota Statutes 2008, section 161.14, 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 161.14, is amended by adding a subdivision to read:

Subd. 64. **Corporal Johnathan Benson Memorial Highway.** That portion of marked Trunk Highway 95 from the intersection of marked Interstate Highway 35 to the eastern boundary of the city of North Branch is designated as "Corporal Johnathan Benson Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable marking design to memorialize the highway and shall erect the appropriate signs."

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. 2659, A bill for an act relating to environment; modifying requirements for discharge permit requirements for feedlots; amending Minnesota Statutes 2008, section 116.07, subdivision 7c.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116.07, subdivision 7c, is amended to read:

Subd. 7c. **SDS and NPDES feedlot permitting requirements.** (a) The agency must issue ~~national pollutant discharge elimination state disposal~~ system permits for feedlots with 1,000 animal units or more and that meet the definition of a "concentrated animal feeding operation" in Code of Federal Regulations, title 40, section 122.23, based on the following:

(1) a permit for a newly constructed or expanded animal feedlot that is identified as a priority by the commissioner, using criteria ~~established under paragraph (d) in effect on January 1, 2010~~, must be issued as an individual permit;

(2) ~~after January 1, 2001~~, an existing feedlot that is identified as a priority by the commissioner, using criteria ~~established under paragraph (e) in effect on January 1, 2010~~, must be issued as an individual permit; and

(3) the agency must issue a general ~~national pollutant discharge elimination state disposal~~ system permit for animal feedlots that are not identified under clause (1) or (2).

(b) Prior to the issuance of a general national pollutant discharge elimination system permit for a category of animal feedlot facility permittees, the agency must hold at least one public hearing on the permit issuance.

(c) To the extent practicable, the agency must include a public notice and comment period for an individual national pollutant discharge elimination system permit concurrent with any public notice and comment for:

(1) the purpose of environmental review of the same facility under chapter 116D; or

(2) the purpose of obtaining a conditional use permit from a local unit of government where the local government unit is the responsible governmental unit for purposes of environmental review under chapter 116D.

(d) ~~The commissioner, in consultation with the Feedlot and Manure Management Advisory Committee, created under section 17.136, and other interested parties must develop criteria for determining whether an individual national pollutant discharge elimination system permit is required under paragraph (a), clause (1). The criteria must be based on proximity to waters of the state, facility design, and other site-specific environmental factors. If a feedlot is required to have a national pollutant discharge elimination system permit under federal rules, the agency shall issue a joint state disposal system and national pollutant discharge elimination system permit for the feedlot. A feedlot may choose to apply for a national pollutant discharge elimination system permit even if the feedlot is not required to have a national pollutant discharge elimination system permit.~~

(e) ~~The commissioner, in consultation with the Feedlot and Manure Management Advisory Committee, created under section 17.136, and other interested parties must develop criteria for determining whether an individual national pollutant discharge elimination system permit is required for an existing animal feedlot, under paragraph (a), clause (2). The criteria must be based on violations and other compliance problems at the facility. If a feedlot is required to have a federal new construction stormwater permit, the commissioner shall incorporate that permit into a state disposal system permit or national pollutant discharge elimination system permit required under this subdivision.~~

~~(f) The commissioner, in consultation with the Feedlot and Manure Management Advisory Committee, created under section 17.136, and other interested parties must develop criteria for determining when an individual national pollutant discharge elimination system permit is transferred from individual to general permit status.~~

~~(g) Notwithstanding the provisions in paragraph (a), until January 1, 2001, the commissioner may issue an individual national pollutant discharge elimination system permit for an animal feedlot. After the general permit is issued and the criteria under paragraphs (d) and (e) are developed, individual permits issued pursuant to this paragraph that do not fit the criteria for an individual permit under the applicable provisions of paragraph (d) or (e) must be transferred to general permit status.~~

~~(h) The commissioner, in consultation with the Feedlot and Manure Management Advisory Committee, created under section 17.136, and other interested parties must develop criteria for determining which feedlots are required to apply for and obtain a national pollutant discharge elimination system permit and which feedlots are required to apply for and obtain a state disposal system permit based upon the actual or potential to discharge.~~

EFFECTIVE DATE. Except for paragraph (a), clause (1), this section is effective the day following final enactment. Paragraph (a), clause (1), is effective January 1, 2011."

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

The report was adopted.

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

H. F. No. 2703, A bill for an act relating to education; clarifying rulemaking authority of the Board of Teaching; amending Minnesota Statutes 2009 Supplement, section 122A.09, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 8, strike "subject to" and insert "only under"

Page 3, line 13, after the period, insert "This section does not affect the requirement that the Board of Teaching continue to finally adopt rules initially proposed before the effective date of this section, to implement the requirement of Laws 2003, chapter 129, article 1, section 10, and of Laws 2007, chapter 146, article 2, section 34, that the board adopt rules relating to credentials for education paraprofessionals."

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. 2709, A bill for an act relating to civil actions; specifying immunity for certain entities in the event of an emergency or disaster; amending Minnesota Statutes 2008, section 12.22, subdivision 2a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 12.03, is amended by adding a subdivision to read:

Subd. 4e. **Entity.** "Entity" includes a firm, corporation, association, limited liability company, partnership, limited liability partnership, nonprofit organization, or other business, religious, or charitable organization.

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

Sec. 2. Minnesota Statutes 2008, section 12.22, subdivision 2a, is amended to read:

Subd. 2a. **Volunteer protections.** (a) ~~Individuals~~ Persons who volunteer to assist a local political subdivision in preparation for or during an emergency or disaster, who register with that subdivision, and who are under the direction and control of that subdivision are considered an employee or agent of that subdivision for purposes of workers' compensation and tort claim defense and indemnification.

(b) ~~Individuals~~ Persons who volunteer to assist the state in preparation for or during an emergency or disaster, who register with a state agency, and who are under the direction and control of the state agency are considered an employee or agent of the state for purposes of workers' compensation and tort claim defense and indemnification.

(c) Notwithstanding qualification for volunteer protection under paragraph (a) or (b), a Minnesota Responds Medical Reserve Corps volunteer under sections 145A.04 to 145A.06, responding at the request of the commissioner of health, must receive state workers' compensation benefits and tort claim defense and indemnification as provided in section 145A.06, subdivision 7.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies to actions accruing on or after that date.

Sec. 3. Minnesota Statutes 2008, section 12.22, is amended by adding a subdivision to read:

Subd. 2b. **Entity volunteer protections.** (a) An entity or an agent acting on behalf of the entity who volunteers to assist a local jurisdiction during an emergency or disaster, who previously registers with that jurisdiction, and who is under the direction and control of the local jurisdiction is not liable for civil damages or administrative sanctions as a result of good-faith acts or omissions by that entity or agent in rendering emergency care, advice, or assistance.

(b) An entity or an agent acting on behalf of the entity who volunteers to assist the state during an emergency or disaster, who previously registers with a state agency, and who is under the direction and control of the state agency is not liable for civil damages or administrative sanctions as a result of good-faith acts or omissions by that entity or agent in rendering emergency care, advice, or assistance.

(c) This subdivision does not apply if the entity or agent acts in a willful and wanton or reckless manner in providing the care, advice, or assistance.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies to actions accruing on or after the date."

Delete the title and insert:

"A bill for an act relating to civil actions; specifying immunity for certain entities in the event of an emergency or disaster; amending Minnesota Statutes 2008, sections 12.03, by adding a subdivision; 12.22, subdivision 2a, by adding a subdivision."

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. 2761, A bill for an act relating to insurance; requiring health insurance to cover routine health care received while participating in a qualified clinical trial under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **WORK GROUP ON HEALTH PLAN COVERAGE OF CLINICAL TRIALS.**

The commissioners of health and commerce shall, in consultation with the commissioners of management and budget and human services, convene a work group to study health plan coverage of cancer clinical trials. The work group shall be made up of representatives of consumers, patient advocates, health plan companies, purchasers, providers, and other health care professionals involved in the care and treatment of cancer patients. The work group shall consider appropriate updates to the 2002 Voluntary Program to Clarify Health Plan Reimbursement of the Costs of Routine Care Provided in Cancer Clinical Trials. The work group shall also review administrative burdens and challenges in coverage for routine costs in cancer clinical trials. The commissioners shall submit the findings and the recommendations of the work group to the chairs of the health policy and finance committees in the senate and the house of representatives by December 15, 2010.

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

Delete the title and insert:

"A bill for an act relating to insurance; establishing a work group on health plan coverage of clinical trials; requiring findings and recommendations."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 2766, A bill for an act relating to higher education; clarifying disclosure of educational data; amending Minnesota Statutes 2008, section 13.32, subdivision 3.

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. 2786, A bill for an act relating to the city of Duluth; providing for membership of the Spirit Mountain Recreation Area Authority; amending Laws 1973, chapter 327, section 2, subdivision 2, as amended.

Reported the same back with the following amendments:

Page 1, lines 14 and 15, delete the new language and reinstate the stricken language

Page 1, line 16, after the period, insert "The initial term of the two directors added to the authority in 2010 shall be four years."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 2810, A bill for an act relating to employment; modifying mandatory work and meal breaks; amending Minnesota Statutes 2008, sections 177.253, subdivision 1; 177.254, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 177.253, is amended to read:

177.253 MANDATORY WORK BREAKS.

Subdivision 1. **Rest breaks.** Except as provided in subdivision 1a, an employer must allow each employee adequate time up to 15 minutes from work within each four consecutive hours of work to utilize the nearest convenient restroom.

Subd. 1a. **Exemption.** Subdivision 1 does not apply to an employer with fewer than five employees and operating a retail location. Employers exempted from the requirements of subdivision 1 must allow each employee adequate time from work within each four consecutive hours of work to utilize the nearest readily accessible restroom.

Subd. 2. **Collective bargaining agreement.** Nothing in this section prohibits employers and employees from establishing rest breaks different from those provided in this section pursuant to a collective bargaining agreement.

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

Sec. 2. Minnesota Statutes 2008, section 177.254, is amended to read:

177.254 MANDATORY MEAL BREAK.

Subdivision 1. **Meal break.** Except as provided in subdivision 1a, an employer must permit each employee who is working for eight or more consecutive hours sufficient time at least 30 minutes to eat a meal.

Subd. 1a. **Exemption.** Subdivision 1 does not apply to an employer with fewer than five employees and operating a retail location. Employers exempted from the requirements of subdivision 1 must allow each employee who is working for eight or more consecutive hours sufficient time to eat a meal.

Subd. 2. **Payment not required.** Nothing in this section requires the employer to pay the employee during the meal break.

Subd. 3. **Collective bargaining agreement.** Nothing in this section prohibits employers and employees from establishing meal periods different from those provided in this section pursuant to a collective bargaining agreement.

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

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 2837, A bill for an act relating to economic development; amending the definition of "green economy" to include the concept of "green chemistry"; amending Minnesota Statutes 2008, section 116J.437, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116J.437, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms have the meanings given.

(b) "Green economy" means products, processes, methods, technologies, or services intended to do one or more of the following:

(1) increase the use of energy from renewable sources, including through achieving the renewable energy standard established in section 216B.1691;

(2) achieve the statewide energy-savings goal established in section 216B.2401, including energy savings achieved by the conservation investment program under section 216B.241;

(3) achieve the greenhouse gas emission reduction goals of section 216H.02, subdivision 1, including through reduction of greenhouse gas emissions, as defined in section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through, but not limited to, carbon capture, storage, or sequestration;

(4) monitor, protect, restore, and preserve the quality of surface waters, including actions to further the purposes of the Clean Water Legacy Act as provided in section 114D.10, subdivision 1; ~~or~~

(5) expand the use of biofuels, including by expanding the feasibility or reducing the cost of producing biofuels or the types of equipment, machinery, and vehicles that can use biofuels, including activities to achieve the biofuels 25 by 2025 initiative in sections 41A.10, subdivision 2, and 41A.11; or

(6) increase the use of green chemistry, as defined in section 116.9401.

For the purpose of clause (3), "green economy" includes strategies that reduce carbon emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass transit or otherwise reducing commuting for employees.

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

Delete the title and insert:

"A bill for an act relating to economic development; amending the definition of "green economy" to include the concept of "green chemistry"; amending Minnesota Statutes 2008, section 116J.437, subdivision 1."

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. 2840, A bill for an act relating to state government; establishing a collaborative governance council; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 6.

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

The report was adopted.

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

H. F. No. 2851, A bill for an act relating to highways; removing route from trunk highway system.

Reported the same back with the following amendments:

Page 1, after line 3, insert:

"Section 1. Minnesota Statutes 2008, section 161.115, subdivision 263, is amended to read:

Subd. 263. **Route No. 332.** Beginning at a point on Koochiching County State-Aid Highway 102 at its intersection with Constitutional Route No. 4 and Constitutional Route No. 11, southwesterly of International Falls, thence extending in a general easterly direction generally along the present route of said State-Aid Highway 102 to its junction with Constitutional Route No. 11 southeasterly of International Falls, ~~thence extending in a general northerly direction generally along the present route of County State Aid Highway 114, a distance of approximately 2-1/2 miles, thence continuing in a general northerly direction to legislative Route No. 158 east of International Falls.~~

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation sends notice to the revisor of statutes electronically or in writing that the conditions required to transfer the route have been satisfied."

Page 1, line 4, delete "Section 1." and insert "Sec. 2."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "amending description of trunk highway route;"

Correct the title numbers accordingly

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. 2881, A bill for an act relating to public safety; authorizing certain qualified persons with medical training or supervision to take blood samples from DWI offenders; providing legal immunity; amending Minnesota Statutes 2008, section 169A.51, subdivision 7.

Reported the same back with the following amendments:

Page 2, line 8, delete "or acting under" and insert a period

Page 2, delete line 9

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. 2899, A bill for an act relating to data practices; providing an administrative remedy for certain data practices law violations; providing civil penalties; appropriating money; amending Minnesota Statutes 2008, sections 13.072, subdivision 2; 13.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the following amendments:

Page 3, line 13, after "misrepresentation" insert "by a government entity"

Page 3, line 21, after "applicable" insert "government entity's"

Page 4, lines 4 and 7, delete "reply" and insert "response"

Page 5, line 25, after the period, insert "An action in district court to enforce an order of the office may not be brought until at least 30 days after the order is issued."

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. 2907, A bill for an act relating to communications; setting state goals for the deployment and speed of high-speed broadband; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Page 2, line 3, after the period, insert "Members serve without compensation at the pleasure of the commissioner."

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. 2938, A bill for an act relating to human services; modifying programs and licensure provisions for services to persons with disabilities; amending Minnesota Statutes 2008, section 326B.43, subdivision 2; Minnesota Statutes 2009 Supplement, sections 245A.03, subdivision 7; 245A.11, subdivision 7b; 256D.44, subdivision 5; Laws 2009, chapter 79, article 8, section 81.

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. 2949, A bill for an act relating to metropolitan government; modifying provisions for the allocation of treatment works and interceptors reserved capacity costs; amending Minnesota Statutes 2008, section 473.517, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 473.517, subdivision 3, is amended to read:

Subd. 3. **Allocation of treatment, interceptor costs; reserved capacity.** (a) In preparing each budget the council shall estimate the current costs of acquisition, betterment, and debt service, only, of the treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such treatment works costs from the current costs allocated under subdivision 1. The council shall also estimate the current costs of acquisition, betterment, and debt service, only, of the interceptors in the metropolitan disposal system that will not be used to total capacity during the budget year, shall estimate the percentage of the total capacity that will not be used, and shall deduct the same percentage of interceptor costs from the current costs allocated under subdivision 1. The total amount so deducted with respect to all treatment works and interceptors in the system shall be allocated among and

paid by the respective local government units in the metropolitan area for which system capacity unused each year is reserved for future use, in proportion to the amounts of such capacity reserved for each of them, through a metropolitan sewer availability charge for each new connection or increase in capacity demand to the metropolitan disposal system within each local government unit. Amounts collected through the metropolitan sewer availability charge (SAC) must be deposited in the council's wastewater reserve capacity fund. Each fiscal year an amount from the wastewater reserve capacity fund shall be transferred to the wastewater operating fund for the reserved capacity costs described in this paragraph. For the purposes of this subdivision, the amount transferred from the wastewater reserve capacity fund to the wastewater operating fund shall be referred to as the "SAC transfer amount."

(b) If, after appropriate study and a public hearing, the council determines for the next fiscal year that a reduction of the SAC transfer amount is necessary or desirable to ensure adequate funds remain in the wastewater reserve capacity fund, based on a goal of maintaining at least the next year's estimated SAC transfer amount in the wastewater reserve capacity fund, the council may reduce the SAC transfer amount for that fiscal year. If the council reduces the SAC transfer amount for the next fiscal year, the council must then increase the metropolitan sewer availability charge not less than the greater of six percent or the annual percentage change in the Consumer Price Index for the metropolitan region for the previous year plus three percentage points. For the purposes of this subdivision, any reduction in the SAC transfer amount shall be referred to as the "SAC transfer deficit." The provisions of this paragraph expire at the end of calendar year 2015.

(c) The council will record on a cumulative basis the total SAC transfer deficit. In any year that the wastewater reserve capacity fund has a year-end balance of at least two years' estimated SAC transfer amount, the council shall increase the subsequent annual SAC transfer amount in excess of the amount required by paragraph (a) with the goal of eliminating the cumulative total SAC transfer deficit. The annual amount by which the council increases the SAC transfer amount shall be determined by the council after appropriate study and a public hearing.

EFFECTIVE DATE. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

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. 2954, A bill for an act relating to natural resources; providing for general burning permits; modifying authority to establish forestry services fees; modifying the forest management lease pilot project; modifying timber sales provisions; eliminating certain pilot projects and reports; amending Minnesota Statutes 2008, sections 88.17, subdivisions 1, 3; 88.79, subdivision 2; 90.041, by adding a subdivision; 90.121; 90.14; Minnesota Statutes 2009 Supplement, section 88.795; repealing Minnesota Statutes 2008, section 90.172.

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. 2965, A bill for an act relating to public safety; establishing a certification process for multijurisdictional gang and drug task forces; authorizing law enforcement agencies to establish and maintain criminal gang investigative data systems; dissolving certain multijurisdictional entities; amending the forfeiture reporting requirements; amending Minnesota Statutes 2008, sections 13.6905, subdivision 14; 299A.641; 299C.091, subdivisions 2, 4; 609.531, subdivision 1; 609.5315, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[299A.642] VIOLENT CRIME COORDINATING COUNCIL.**

Subdivision 1. **Coordinating council established.** The Violent Crime Coordinating Council is established to provide guidance related to the investigation and prosecution of gang and drug crime. For the purposes of this section, "gang and drug crime" includes violent crimes associated with gang activity.

Subd. 2. **Membership.** The coordinating council shall consist of the following individuals or their designees:

- (1) the director of the Office of Special Investigations as the representative of the commissioner of corrections;
- (2) the superintendent of the Bureau of Criminal Apprehension as the representative of the commissioner of public safety;
- (3) the attorney general;
- (4) two chiefs of police, selected by the Minnesota Chiefs of Police Association, one who must work in the seven-county metropolitan area and one who must work in greater Minnesota;
- (5) two sheriffs, selected by the Minnesota Sheriffs Association, one who must work in the seven-county metropolitan area and one who must work in greater Minnesota;
- (6) the United States attorney for the district of Minnesota;
- (7) two county attorneys, selected by the Minnesota County Attorneys Association, one who must work in the seven-county metropolitan area and one who must work in greater Minnesota;
- (8) two public defenders, selected by the Board of Public Defense, one who must work in the seven-county metropolitan area and one who must work in greater Minnesota;
- (9) two citizen members appointed by the commissioner of public safety in consultation with representatives from the councils of color created in sections 3.922, 3.9223, 3.9225, and 3.9226; and
- (10) a tribal peace officer, selected by the commissioner of public safety, in consultation with the Minnesota Indian Affairs Council.

The coordinating council shall adopt procedures to govern its conduct as necessary and shall select a chair from among its members. The chair shall serve a two-year term and the appointment of the chair shall alternate between a person who works in greater Minnesota and a person who works in the seven-county metropolitan area.

Subd. 3. **Coordinating council's duties.** The coordinating council shall develop an overall strategy to ameliorate the harm caused to the public by gang and drug crime within the state of Minnesota. Additionally, the coordinating council shall:

(1) subject to approval by the commissioner of public safety, develop an operating procedures and policies manual to investigate gang and drug crime in a multijurisdictional manner;

(2) identify and recommend a candidate or candidates for statewide coordinator to the commissioner of public safety;

(3) establish multijurisdictional violent crime enforcement teams to combat gang and drug crime;

(4) assist the Department of Public Safety in developing grant eligibility criteria and operating an objective and conflict-free grant review application process;

(5) make recommendations to the commissioner of public safety to terminate grant funding for multijurisdictional entities if an entity no longer operates in accordance with guidelines established under subdivision 4, or no longer functions in a manner consistent with the best interests of the state or public;

(6) assist in developing a process to collect and share information to improve the investigation and prosecution of gang and drug offenses;

(7) develop and approve an operational budget for the coordinating council; and

(8) subject to approval by the commissioner of public safety, adopt narrowly tailored, objective criteria and identifying characteristics for use in determining whether individuals are or may be members of gangs involved in criminal activity. The council shall review and update the criteria and characteristics adopted under this clause every two years with the objective to ensure effectiveness and relevance to the accurate identification of subjects actively involved in criminal gang activity. As part of its review process, the council shall obtain input from members of communities that are impacted by criminal gang activity. Before adopting any changes under this clause, the council must submit its recommendations to the commissioner of public safety for approval.

Subd. 4. **Duties and authority of commissioner.** (a) By September 1, 2010, the commissioner of public safety shall establish guidelines for the certification of multijurisdictional entities, and their designated fiscal agents, that are established pursuant to this section and receive grant funding under subdivision 9. The guidelines shall require that all multijurisdictional entities:

(1) be subject to the operational command and supervision of one of the participating agencies;

(2) be subject to an operational and financial audit conducted annually by an outside, independent entity; and

(3) have adequate staffing and funding to support law enforcement, prosecutorial, and financial operations, including bookkeeping, evidence handling, and inventory recording.

(b) A multijurisdictional entity, and its designated fiscal agent, may not operate unless they meet the guidelines established by, and are annually certified by, the commissioner of public safety. If, at any time, the commissioner revokes an entity's or fiscal agent's certification, the commissioner may order any or all of the following:

(1) dissolution of the entity, its governing boards, or both;

(2) transfer of duties of the entity, its governing boards, or both, to the Department of Public Safety; and

(3) any other actions deemed necessary by the commissioner.

Notwithstanding any action taken by the commissioner, any outstanding obligations or liabilities of the entity remain with the entity and the parties to the agreement and do not transfer.

(c) Except as provided in section 2, a multijurisdictional entity that is operating on the effective date of this section shall have six months from the date guidelines are established under paragraph (a) to be certified under this section.

Subd. 5. **Statewide coordinator.** The commissioner of public safety shall appoint a statewide coordinator. The coordinator serving in the unclassified service shall:

(1) coordinate and monitor all multijurisdictional gang and drug enforcement activities;

(2) facilitate local efforts and ensure statewide coordination with efforts to combat gang and drug crime;

(3) facilitate training for personnel;

(4) monitor compliance with investigative protocols; and

(5) review annual audits conducted under subdivision 4, take corrective actions based on audit results, and submit a summary report of the audits and any corrective actions to the commissioner of public safety.

Subd. 6. **Participating officers; employment status.** All participating law enforcement officers must be licensed peace officers as defined in section 626.84, subdivision 1, or qualified federal law enforcement officers as defined in section 626.8453. Participating officers remain employees of the same entity that employed them before joining any multijurisdictional entity established under this section. Participating officers are not employees of the state. Participating officers shall be subject to annual performance reviews conducted by the entity's governing board.

Subd. 7. **Jurisdiction and powers.** Law enforcement officers participating in any multijurisdictional entity established under this section have statewide jurisdiction to conduct criminal investigations and have the same powers of arrest as those possessed by a sheriff.

Subd. 8. **Evidence handling.** A multijurisdictional entity established pursuant to this section shall process all evidence through the standard evidence handling procedures established by the participating agencies.

Subd. 9. **Grants authorized.** The commissioner of public safety may make grants to state and local units of government to combat gang and drug crime. When awarding grants, the commissioner shall consider appropriating grants under this section to fund community-based gang intervention and prevention efforts for youth.

Subd. 10. **Coordinating council is permanent.** Notwithstanding section 15.059, this section does not expire.

Subd. 11. **Governing board; prosecutor's role.** (a) A multijurisdictional entity established under this section shall create a governing board consisting of the chief law enforcement officer, or designee, from each participating agency, a prosecutor from one of the participating agencies, and up to three additional members selected by the governing board. A governing board shall have no less than six members.

(b) The prosecutor on the governing board shall ensure adequate training is provided for officers assigned to a multijurisdictional entity in order to increase successful prosecutions.

Subd. 12. **Funding.** Participating agencies may accept lawful grants or contributions from any federal source or legal business or entity.

Subd. 13. **Role of attorney general.** The attorney general or a designee shall generally advise on any matters that the coordinating council deems appropriate.

Subd. 14. **Attorney general; community liaison.** (a) The attorney general or a designee shall serve as a liaison between the coordinating council and the councils of color created in sections 3.922, 3.9223, 3.9225, and 3.9226. The attorney general or designee will be responsible for:

(1) informing the councils of color of the plans, activities, and decisions and hearing their reactions to those plans, activities, and decisions; and

(2) providing the coordinating council with the position of the councils of color on the coordinating council's plan, activities, and decisions.

(b) In no event is the coordinating council required to disclose the names of individuals identified by it to the councils of color referenced in this subdivision.

Subd. 15. **Required reports.** By February 1 of each year, the commissioner of public safety shall submit the following reports to the chairs of the senate and house of representatives committees and divisions having jurisdiction over criminal justice policy and funding:

(1) a report containing a summary of all audits conducted on multijurisdictional entities under subdivision 4; and

(2) a report on the activities and goals of the coordinating council.

Sec. 2. **MULTIJURISDICTIONAL GANG AND DRUG STRIKE FORCES.**

A joint powers entity established pursuant to Minnesota Statutes, section 299A.641, before the effective date of this section that included as parties to the joint powers agreement two counties with a population over 500,000 each is dissolved and any governing or advisory board established by the terms of the agreement is also dissolved. All current and future obligations and liabilities of the joint powers entity remain with the parties to the agreement and do not transfer to the state.

For purposes of this section, "population" means the most recent population estimate made by the state demographer under Minnesota Statutes, section 4A.02.

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

Sec. 3. **APPROPRIATION.**

\$...... is appropriated in fiscal year 2011 from the general fund to the commissioner of public safety for grants to multijurisdictional entities for conducting audits required under Minnesota Statutes, section 299A.642, subdivision 4, paragraph (a).

Sec. 4. **REPEALER.**

Minnesota Statutes 2008, section 299A.641, is repealed."

Delete the title and insert:

"A bill for an act relating to public safety; establishing a certification process for multijurisdictional gang and drug task forces; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 2008, section 299A.641."

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. 2995, A bill for an act relating to special education; expanding who is qualified to make a diagnosis of attention deficit disorder or attention deficit hyperactivity disorder; amending Minnesota Statutes 2009 Supplement, sections 125A.02, subdivision 1; 245.4871, subdivision 27.

Reported the same back with the following amendments:

Page 1, line 17, after the comma, insert "clauses (2) and (6)."

Page 1, delete section 2

Correct the title numbers accordingly

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. 3023, A bill for an act relating to commerce; regulating business screening services; providing for the correction and deletion of certain criminal records; amending Minnesota Statutes 2008, section 332.70, subdivisions 1, 2, 3, 4.

Reported the same back with the following amendments:

Page 1, after line 15, insert:

"(d) A "complete and accurate record" is (1) one that has been updated within 30 days of its receipt; or (2) verified with the data source within the previous 90 days as being up-to-date."

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2008, section 332.70, subdivision 2, is amended to read:

Subd. 2. **Criminal records.** A business screening service ~~must not~~ shall only disseminate a criminal ~~record~~ unless the record has been updated within the previous month records that reflect the complete and accurate record provided by the data source."

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. 3052, A bill for an act relating to commerce; regulating nonrecourse civil litigation funding transactions; proposing coding for new law as Minnesota Statutes, chapter 80G.

Reported the same back with the following amendments:

Page 1, line 6, delete "Civil" and insert "Presettlement"

Page 1, line 7, delete "Litigation"

Page 1, lines 9, 14, and 20, delete "civil litigation" and insert "presettlement"

Page 1, line 13, delete "Civil litigation" and insert "Presettlement"

Page 2, lines 1, 2, 3, 4, 5, 7, 14, 17, and 29, delete "civil litigation" and insert "presettlement"

Page 3, lines 9, 18, 23, and 25, delete "civil litigation" and insert "presettlement"

Page 4, lines 8, 10, 14, 17, 20, and 33, delete "civil litigation" and insert "presettlement"

Page 4, line 11, delete "civil litigation" and insert "presettlement" in both places

Page 5, lines 6, 8, 11, 19, 22, 24, 25, 28, and 34, delete "civil litigation" and insert "presettlement"

Page 5, lines 15 and 16, delete "CIVIL LITIGATION" and insert "PRESETTLEMENT"

Page 5, line 31, delete "civil litigation" and insert "presettlement" in both places

Page 6, lines 1, 2, 3, 5, 8, and 15, delete "civil litigation" and insert "presettlement"

Amend the title as follows:

Page 1, line 2, delete "civil litigation" and insert "presettlement"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3059, A bill for an act relating to health; modifying mandatory reporting requirements related to pregnant women; amending Minnesota Statutes 2008, section 626.5561, subdivision 1.

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. 3066, A bill for an act relating to health; requiring reporting of certain administrative expense data; establishing the Advisory Group on Administrative Expenses; appropriating money; amending Minnesota Statutes 2008, section 62D.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62D.

Reported the same back with the following amendments:

Page 1, line 14, after "information" insert ", including administrative expenses for dental services."

Page 1, line 18, after "information" insert ", including investment income for dental services."

Page 2, line 11, after "following" insert ", who serve at the pleasure of their appointing authority"

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. 3086, A bill for an act relating to health; providing for access to health records by surviving domestic partners; including domestic partners in provisions governing health care rights, consent to autopsies, and anatomical gifts; amending Minnesota Statutes 2008, sections 144.291, subdivision 2; 144.294, subdivision 1; 144.334; 144.651, subdivisions 2, 28; 144A.161, subdivision 1; 144A.75, subdivision 7; 253B.03, subdivision 6; 390.11, subdivision 2; 390.32, subdivision 3; 525A.02, subdivision 6, by adding a subdivision; 525A.09; Minnesota Statutes 2009 Supplement, section 13.384, subdivision 3.

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

The report was adopted.

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

H. F. No. 3089, A bill for an act relating to public safety; providing an exception to the statutory cap on bail for certain nonfelony domestic abuse offenders; recodifying and clarifying the domestic abuse no contact order law; expanding the tampering with a witness crime; clarifying the requirement that the data communications network include orders for protection and no contact orders; imposing criminal penalties; amending Minnesota Statutes 2008,

sections 299C.46, subdivision 6; 609.498, subdivision 2; 629.471, subdivision 3, by adding a subdivision; 629.72, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapter 629; repealing Minnesota Statutes 2008, section 518B.01, subdivision 22.

Reported the same back with the following amendments:

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

Page 1, line 15, delete everything before "629.72"

Page 1, line 16, after "criminal" insert "domestic abuse"

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2008, section 609.498, is amended by adding a subdivision to read:

Subd. 2a. **Tampering with a witness in the third degree.** (a) Unless a greater penalty is applicable under subdivision 1, 1b, or 2, whoever does any of the following is guilty of tampering with a witness in the third degree and may be sentenced as provided in subdivision 3:

(1) intentionally prevents or dissuades or intentionally attempts to prevent or dissuade by means of intimidation, a person who is or may become a witness from attending or testifying at any trial, proceeding, or inquiry authorized by law;

(2) by means of intimidation, intentionally influences or attempts to influence a person who is or may become a witness to testify falsely at any trial, proceeding, or inquiry authorized by law;

(3) intentionally prevents or dissuades or attempts to prevent or dissuade by means of intimidation, a person from providing information to law enforcement authorities concerning a crime; or

(4) by means of intimidation, intentionally influences or attempts to influence a person to provide false information concerning a crime to law enforcement authorities.

(b) In a prosecution under this subdivision, proof of intimidation may be based on a specific act or on the totality of the circumstances.

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

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2008, section 609.498, subdivision 3, is amended to read:

Subd. 3. **Sentence.** (a) Whoever violates subdivision 2 ~~may be sentenced to imprisonment for not more than one year or to payment of a fine not to exceed \$3,000~~ is guilty of a gross misdemeanor.

(b) Whoever violates subdivision 2a is guilty of a misdemeanor.

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

Page 3, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 2008, section 629.471, subdivision 3, is amended to read:

Subd. 3. **Six times fine.** For offenses under sections ~~518B.01, 609.224, 609.2242,~~ and 609.377, the maximum cash bail that may be required for a person charged with a misdemeanor or gross misdemeanor violation is six times the highest cash fine that may be imposed for the offense.

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

Sec. 5. Minnesota Statutes 2008, section 629.471, is amended by adding a subdivision to read:

Subd. 3a. **Ten times fine.** For offenses under sections 518B.01 and 609.2242, the maximum cash bail that may be required for a person charged with a misdemeanor or gross misdemeanor violation is ten times the highest cash fine that may be imposed for the offense.

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

Page 3, delete section 6

Page 5, line 14, after "proceeding" insert "or a juvenile offender in a delinquency proceeding"

Page 5, line 25, after the period, insert "In the context of a postconviction probationary order, a domestic abuse no contact order may be issued for an offense listed in paragraph (a) or for a conviction for any offense arising out of the same set of circumstances as an offense listed in paragraph (a)."

Page 5, line 26, delete "at the same time as" and insert "in a proceeding that is separate from but held immediately following one in which"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "providing an exception to" and insert "modifying"

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.

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

H. F. No. 3090, A bill for an act relating to crime; modifying crime of stalking; amending Minnesota Statutes 2008, section 609.749.

Reported the same back with the following amendments:

Page 1, line 15, reinstate the stricken "3" and delete "5"

Page 6, after line 13, insert:

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

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

The report was adopted.

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

H. F. No. 3096, A bill for an act relating to state procurement; modifying provisions governing the provision of services by rehabilitation facilities, extended employment providers, and day training and habilitation service programs; amending Minnesota Statutes 2008, section 16C.155.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 16C.155, is amended to read:

16C.155 JANITORIAL CONTRACTS; REHABILITATION PROGRAMS AND EXTENDED EMPLOYMENT PROVIDERS.

Subdivision 1. **Service contracts.** The commissioner of administration shall ensure that a portion of all ~~janitorial services~~ contracts for janitorial services; document imaging; document shredding; and mailing, collating, and sorting services be awarded by the state to rehabilitation programs and extended employment providers ~~listed under section 16C.15~~ that are certified by the commissioner of employment and economic development, and day training and habilitation services licensed under sections 245B.01 to 245B.08. The amount of each contract awarded under this section may exceed the estimated fair market price as determined by the commissioner for the same goods and services by up to six percent. The ~~total aggregate~~ value of the contracts awarded to eligible providers under this section in any given year must exceed 19 percent of the total value of ~~janitorial services~~ all contracts for janitorial services; document imaging; document shredding; and mailing, collating, and sorting services entered into in the previous fiscal same year. ~~The amount of each contract awarded under this section may exceed the estimated fair market price for the same goods and services by up to five percent~~ For the 19 percent requirement to be applicable in any given year, the contract amounts proposed by eligible providers must be within six percent of the estimated fair market price for at least 19 percent of the contracts awarded for the corresponding service area.

Subd. 2. **Agency notification.** (a) On an annual basis, eligible service providers shall provide the following information to the commissioner in a format prescribed by the commissioner:

- (1) the address for all locations where the service provider operates;
- (2) the name, telephone number, and e-mail address for a contact person at each location;
- (3) the capacity of the organization, by location, to provide the services identified in subdivision 1; and

(4) the state of Minnesota vendor number for the provider.

(b) The commissioner shall annually provide notice of the contracting requirements under subdivision 1 to all state authorities for local purchasing buyers, as determined by the commissioner. The list shall include the names and principal addresses of the eligible service providers and the information provided to the commissioner by eligible service providers under paragraph (a). The commissioner shall inform each authority for local purchasing buyers of:

(1) the requirements of subdivision 1;

(2) the policy adopted by the commissioner to implement subdivision 1;

(3) the applicable commodity codes for each service identified in subdivision 1;

(4) the need for each authority for local purchasing buyers to record the applicable commodity code for each contract entered into under subdivision 1 and for each contract covering one of the service areas identified in subdivision 1; and

(5) the authority granted to the authority for local purchasing buyers to contract directly with the eligible providers as provided in section 16C.10.

Subd. 3. Contract tracking and annual report. The commissioner shall track, by the commodity code for each service area identified in subdivision 1, each contract entered into pursuant to this section. By February 15 of each year, the commissioner shall submit the following information for the previous fiscal year to the chairs and ranking members of the legislative committees with jurisdiction over workforce development:

(1) the value of the contracts awarded to eligible service providers for each of the applicable commodity codes; and

(2) the total value for all contracts awarded in each of the service areas identified in subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3130, A bill for an act relating to public safety; authorizing fire departments to access criminal history data on current employees; amending Minnesota Statutes 2008, section 299F.035.

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

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 3133, A bill for an act relating to employment; providing for workers' compensation benefits for domestic partners; including domestic partners of military members in employee leave requirements; providing for payment of wages due a deceased employee to a surviving domestic partner; amending Minnesota Statutes 2008,

sections 176.011, subdivision 11a, by adding a subdivision; 176.031; 176.041, subdivision 1a; 176.051, subdivision 1; 176.102, subdivision 1a; 176.111, subdivisions 1, 6, 7, 8, 9a, 10, 14, 15, 21; 176.191, subdivision 4; 181.58; 181.947, subdivision 1; 181.948, subdivision 1; Minnesota Statutes 2009 Supplement, section 176.041, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 181.58, is amended to read:

181.58 SURVIVING SPOUSE OR DOMESTIC PARTNER PAID WAGES DUE.

Subdivision 1. **Employer.** For the purposes of this section the word "employer" includes every person, firm, partnership, corporation, the state of Minnesota, all political subdivisions, and all municipal corporations.

Subd. 2. **Domestic partners.** "Domestic partners" means two persons who:

- (1) are the same sex;
- (2) are adults and mentally competent to enter into legally binding contracts;
- (3) have assumed responsibility for each other's basic common welfare, financial obligations, and well-being;
- (4) share a common domicile and primary residence with each other on a permanent basis;
- (5) have a committed interdependent relationship with each other, intend to continue that relationship indefinitely, and do not have this type of relationship with any other person;
- (6) are not married to another person and have not entered into a domestic partnership arrangement with another person that is currently in effect; and
- (7) are not related by blood or adoption so that a marriage between them would be prohibited under section 517.03, subdivision 1, paragraph (a), clause (2) or (3).

Subd. 3. **Paid wages due.** If, at the time of the death of any person, an employer is indebted to the person for work, labor, or services performed, and no personal representative of the person's estate has been appointed, such employer shall, upon the request of the surviving spouse or domestic partner, forthwith pay this indebtedness, in such an amount as may be due, not exceeding the sum of \$10,000, to the surviving spouse or domestic partner. The employer may in the same manner provide for payment to the surviving spouse or domestic partner of accumulated credits under the vacation or overtime plan or system maintained by the employer. The employer shall require proof of claimant's relationship to decedent by affidavit, and require claimant to acknowledge receipt of such payment in writing. Any payments made by the employer pursuant to the provisions of this section shall operate as a full and complete discharge of the employer's indebtedness to the extent of the payment, and no employer shall thereafter be liable therefor to the decedent's estate or the decedent's personal representative thereafter appointed. Any amounts so received by a spouse or domestic partner shall be considered in diminution of the allowance to the spouse or domestic partner under section 524.2-403.

Subd. 4. **Notice.** An employee must provide the name, address, and telephone number of a domestic partner to the employer prior to any payment under this section."

Delete the title and insert:

"A bill for an act relating to employment; modifying benefits; amending Minnesota Statutes 2008, section 181.58."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3146, A bill for an act relating to commerce; modifying continuing education provisions; amending insurance laws involving insurance company rehabilitation and liquidation, group life insurance, the use of mortality tables, the Life and Health Insurance Guaranty Association, and mutual insurance companies; amending Minnesota Statutes 2008, sections 60B.03, by adding subdivisions; 61A.09, by adding a subdivision; 61A.257, subdivisions 2, 3; 61B.19, subdivision 3; 61B.28, subdivision 7; 66A.40, subdivision 11; 66A.42; Minnesota Statutes 2009 Supplement, sections 45.31, subdivision 3; 60K.56, subdivision 6; 61B.19, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 60B.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"ARTICLE 1
LIFE INSURANCE"

Page 20, after line 22, insert:

"ARTICLE 2
FRATERNAL BENEFIT SOCIETIES

Section 1. Minnesota Statutes 2008, section 64B.19, is amended by adding a subdivision to read:

Subd. 4a. **Notice of extra assessments.** In the event that a society intends to make extra assessments, as provided in subdivision 4, it shall provide notice of the assessments it plans to make to the commissioner, and to the commissioner of its state of domicile if it is a foreign society, at least 90 days before the effective date of the assessments.

Sec. 2. **[64B.40] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 64B.40 to 64B.48, the terms defined in this section have the meanings given them.

Subd. 2. **Adjusted risk-based capital report.** "Adjusted risk-based capital report" means a risk-based capital report that has been adjusted by the commissioner according to section 64B.41, subdivision 3.

Subd. 3. **Corrective order.** "Corrective order" means an order issued by the commissioner specifying corrective actions that the commissioner has determined are required.

Subd. 4. **NAIC.** "NAIC" means the National Association of Insurance Commissioners.

Subd. 5. **Negative trend.** "Negative trend" means, with respect to a society, negative trend over a period of time, as determined according to the trend test calculation included in the risk-based capital instructions.

Subd. 6. **Risk-based capital instructions.** "Risk-based capital instructions" means the risk-based capital report including risk-based capital instructions adopted by the NAIC, as those risk-based instructions may be amended by the NAIC from time to time according to the procedures adopted by the NAIC.

Subd. 7. **Risk-based capital level.** "Risk-based capital level" means a fraternal action level risk-based capital or fraternal authorized control level risk-based capital where:

(1) "fraternal action level risk-based capital" means the product of 2.0 and its authorized control level risk-based capital; and

(2) "fraternal authorized control level risk-based capital" means the number determined under the risk-based capital formula according to the risk-based capital instructions.

Subd. 8. **Risk-based capital plan.** "Risk-based capital plan" means a comprehensive financial plan containing the elements specified in section 64B.42. If the commissioner rejects the risk-based capital plan and it is revised by the society, with or without the commissioner's recommendation, the plan must be called the "revised risk-based capital plan."

Subd. 9. **Risk-based capital report.** "Risk-based capital report" means the report required in section 64B.41.

Subd. 10. **Society.** "Society" means a fraternal benefit society that is admitted to do business in this state under this chapter.

Subd. 11. **Total adjusted capital.** "Total adjusted capital" means the sum of:

(1) a society's statutory capital and surplus as determined in accordance with statutory accounting applicable to the annual statement required to be filed under section 60A.13; and

(2) other items, if any, as the risk-based capital instructions may provide.

Sec. 3. **[64B.41] RISK-BASED CAPITAL REPORTS.**

Subdivision 1. **General requirements.** Every society shall, on or before each March 1, prepare and submit to the commissioner a report of its risk-based capital levels as of the end of the calendar year just ended, in a form and containing the information required by the risk-based capital instructions. In addition, every society shall file its risk-based capital report with the NAIC according to the risk-based capital instructions.

Subd. 2. **Specific requirements.** A society's risk-based capital must be determined according to the formula set forth in the risk-based capital instructions. The formula must take into account, and may adjust for the covariance between:

(1) the risk with respect to the society's assets;

(2) the risk of adverse insurance experience with respect to the society's liabilities and obligations;

(3) the interest rate risk with respect to the society's business; and

(4) all other business risks and other relevant risks set forth in the risk-based capital instructions;

determined in each case by applying the factors in the manner set forth in the risk-based capital instructions.

Subd. 3. **Adjusted risk-based capital report.** If a society files a risk-based capital report that in the judgment of the commissioner is inaccurate, then the commissioner shall adjust the risk-based capital report to correct the inaccuracy and shall notify the society of the adjustment. The notice must contain a statement of the reason for the adjustment. A risk-based capital report as so adjusted is referred to as an "adjusted risk-based capital report."

Sec. 4. [64B.42] FRATERNAL ACTION LEVEL EVENT.

Subdivision 1. **Definition.** "Fraternal action level event" means, with respect to a society, any of the following events:

(1) the filing of a risk-based capital report by the society that indicates that:

(i) the society's total adjusted capital is greater than or equal to its fraternal authorized control level risk-based capital but less than its fraternal action level risk-based capital; or

(ii) the society's total adjusted capital is greater than or equal to its fraternal action level risk-based capital but less than the product of its fraternal authorized control level risk-based capital and 2.5 and has a negative trend;

(2) the notification by the commissioner to a society of an adjusted risk-based capital report that indicates an event in clause (1), provided the society does not challenge the adjusted risk-based capital report under section 64B.44;

(3) if, pursuant to section 64B.44, the society challenges an adjusted risk-based capital report that indicates an event in clause (1), the notification by the commissioner to the society that the commissioner has, after a hearing, rejected the society's challenge; or

(4) the failure of the society to file a risk-based capital report by March 1, unless the society has provided an explanation for the failure that is satisfactory to the commissioner and has cured the failure within ten days after March 1.

Subd. 2. **Commissioner's duties.** In the event of a fraternal action level event, the commissioner shall:

(1) require the society to prepare and submit a risk-based capital plan, or, if applicable, a revised risk-based capital plan that:

(i) identifies the conditions that contribute to the fraternal action level event;

(ii) contains proposals of corrective actions that the society intends to take and would be expected to result in the elimination of the fraternal action level event;

(iii) provides projections of the society's financial results in the current year and at least the four succeeding years, both in the absence of proposed corrective actions and giving effect to the proposed corrective actions, including projected statutory balance sheets, income statements, and cash flow statements. The projections for both new and renewal business might include separate projections for each major line of business and separately identify each significant income, expense, and benefit component;

(iv) identifies the key assumptions impacting the society's projections and the sensitivity of the projections to the assumptions; and

(v) identifies the quality of, and problems associated with, the society's business including, but not limited to, its assets, anticipated business growth and associated surplus strain, extraordinary exposure to risk, mix of business, and use of reinsurance, if any, in each case;

(2) examine or analyze as the commissioner considers necessary the assets, liabilities, and operations of the society including reviewing its risk-based capital plan or revised risk-based capital plan; and

(3) subsequent to the examination or analysis, issue a corrective order specifying the corrective actions the commissioner determines are required.

Subd. 3. **Corrective action.** In determining corrective actions, the commissioner may take into account factors considered relevant with respect to the society based upon the commissioner's examination or analysis of the assets, liabilities, and operations of the society including, but not limited to, the results of any sensitivity tests undertaken pursuant to the risk-based capital instructions. The risk-based capital plan or revised risk-based capital plan must be submitted:

(1) within 45 days after the occurrence of the fraternal action level event;

(2) if the society challenges an adjusted risk-based capital report pursuant to section 64B.44 and the challenge is not frivolous in the judgment of the commissioner, within 45 days after the notification to the society that the commissioner has, after a hearing, rejected the society's challenge; or

(3) if the society challenges a revised risk-based capital plan pursuant to section 64B.44 and the challenge is not frivolous in the judgment of the commissioner, within 45 days after the notification to the society that the commissioner has, after a hearing, rejected the society's challenge.

Subd. 4. **Examination and review.** The commissioner may retain actuaries and investment experts and other consultants as may be necessary in the judgment of the commissioner to review the society's risk-based capital plan or revised risk-based capital plan; examine or analyze the assets, liabilities, and operations of the society; and formulate the corrective order with respect to the society. The fees, costs, and expenses relating to consultants must be borne by the affected society or other party as directed by the commissioner.

Sec. 5. [64B.43] FRATERNAL AUTHORIZED CONTROL LEVEL EVENT.

Subdivision 1. **Definition.** "Fraternal authorized control level event" means any of the following events:

(1) the filing of a risk-based capital report by the society that indicates that the society's total adjusted capital is less than its fraternal authorized control level risk-based capital;

(2) the notification by the commissioner to the society of an adjusted risk-based capital report that indicates the event in clause (1), provided the society does not challenge the adjusted risk-based capital report under section 64B.44;

(3) if, pursuant to section 64B.44, the society challenges an adjusted risk-based capital report that indicates the event in clause (1), notification by the commissioner to the society that the commissioner has, after a hearing, rejected the society's challenge;

(4) the failure of the society to respond, in a manner satisfactory to the commissioner, to a corrective order, provided the society has not challenged the corrective order under section 64B.44;

(5) if the society has challenged a corrective order under section 64B.44 and the commissioner has, after a hearing, rejected the challenge or modified the corrective order, the failure of the society to respond, in a manner satisfactory to the commissioner, to the corrective order subsequent to rejection or modification by the commissioner;

(6) the failure of the society to submit a risk-based capital plan to the commissioner within the time period in section 64B.42;

(7) notification by the commissioner to the society that:

(i) the risk-based capital plan or revised risk-based capital plan submitted by the society is, in the judgment of the commissioner, unsatisfactory; and

(ii) the society has not challenged the determination under section 64B.44;

(8) if, pursuant to section 64B.44, the society challenges a determination by the commissioner under the notification by the commissioner to the society that the commissioner has, after a hearing, rejected the challenge;

(9) notification by the commissioner to the society that the society has failed to adhere to its risk-based capital plan or revised risk-based capital plan, but only if the failure has a substantial adverse effect on the ability of the society to eliminate the fraternal action level event according to its risk-based capital plan or revised risk-based capital plan and the commissioner has so stated in the notification, provided the society has not challenged the determination under section 64B.44; or

(10) if, pursuant to section 64B.44, the society challenges a determination by the commissioner under clause (9), the notification by the commissioner to the society that the commissioner has, after a hearing, rejected the challenge.

Subd. 2. **Commissioner's duties.** In the event of a fraternal authorized control level event with respect to a society, the commissioner shall:

(1) take the actions required under section 64B.42 regarding a society with respect to which a fraternal action level event has occurred;

(2) if the commissioner considers it to be in the best interests of the certificate holders of the society, require the society to take one or more of the following actions:

(i) merge or otherwise consolidate with another willing authorized society;

(ii) cede any individual risk or risks, in whole or in part, to a willing society or life insurer;

(iii) suspend the issuance of new business; and

(iv) discontinue its insurance operations; or

(3) take the actions necessary to cause the society to be placed under regulatory control under chapter 60B. In the event the commissioner takes these actions, the fraternal authorized control level event is considered sufficient grounds for the commissioner to take action under chapter 60B, and the commissioner has the rights, powers, and duties with respect to the society set forth in chapter 60B. In the event the commissioner takes actions under this clause pursuant to an adjusted risk-based capital report, the society is entitled to the protections afforded to societies under section 60B.11 pertaining to summary proceedings.

Sec. 6. **[64B.44] HEARINGS.**

Upon notification to a society by the commissioner:

(1) that the risk-based capital report is being adjusted by the commissioner;

(2) that the society's risk-based capital plan or revised risk-based capital plan is unsatisfactory, and that the notification constitutes a fraternal action level event or fraternal authorized control level event with respect to the society;

(3) that the society has failed to adhere to its risk-based capital plan or revised risk-based capital plan and that the failure has substantial adverse effect on the ability of the society to eliminate the fraternal action level event with respect to the society according to its risk-based capital plan or revised risk-based capital plan; or

(4) that a corrective order will be issued with respect to the society;

the society has the right to a contested case hearing conducted in accordance with chapter 14, on a record, at which the society may challenge a determination or action by the commissioner. The society shall notify the commissioner of its request for a hearing within five days after the notification by the commissioner under clause (1), (2), (3), or (4). Upon receipt of the society's request for a hearing, the commissioner shall set a date for the hearing no less than ten nor more than 30 days after the date of the society's request.

Sec. 7. **[64B.45] PROHIBITION ON ANNOUNCEMENTS.**

Except as otherwise required under sections 64B.40 to 64B.48, the making, publishing, dissemination, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in any other way, an advertisement, announcement, or statement containing an assertion, representation, or statement with regard to the risk-based capital levels of a society, or of any component derived in the calculation by a society, agent, broker, or other person engaged in any manner in the insurance business would be misleading and is prohibited.

Sec. 8. **[64B.46] SUPPLEMENTAL PROVISIONS.**

Sections 64B.40 to 64B.48 are supplemental to other laws of this state and do not preclude or limit other powers or duties of the commissioner under those laws including, but not limited to, chapters 60B and 60G.

Sec. 9. **[64B.47] IMMUNITY.**

There is no liability on the part of, and no cause of action arises against, the commissioner or the Department of Commerce or its employees or agents for an action taken by them in the performance of their powers and duties under sections 64B.40 to 64B.48.

Sec. 10. **[64B.48] NOTICES.**

All notices by the commissioner to a society that may result in regulatory action under sections 64B.40 to 64B.48 are effective upon dispatch if transmitted by registered or certified mail, or, in the case of other transmission, are effective upon the society's receipt of the notice."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "regulating fraternal risk-based capital;"

Correct the title numbers accordingly

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. 3147, A bill for an act relating to taxation; providing for use of reports and testimony by assessors; amending Minnesota Statutes 2008, sections 82B.035, subdivision 2; 270.41, subdivision 5; 278.05, 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 82B.035, subdivision 2, is amended to read:

Subd. 2. **Assessors.** Nothing in this chapter shall be construed as requiring the licensing of persons employed and acting in their capacity as assessors for political subdivisions of the state and performing duties enumerated in section 273.061, subdivision 7 or 8.

EFFECTIVE DATE. This section is effective the day following final enactment for testimony offered and opinions or reports prepared in cases or proceedings that have not been finally resolved.

Sec. 2. Minnesota Statutes 2008, section 270.41, subdivision 5, is amended to read:

Subd. 5. **Prohibited activity.** A licensed assessor or other person employed by an assessment jurisdiction or contracting with an assessment jurisdiction for the purpose of valuing or classifying property for property tax purposes is prohibited from making appraisals or analyses, accepting an appraisal assignment, or preparing an appraisal report as defined in section 82B.02, subdivisions 2 to 5, on any property within the assessment jurisdiction where the individual is employed or performing the duties of the assessor under contract. Violation of this prohibition shall result in immediate revocation of the individual's license to assess property for property tax purposes. This prohibition must not be construed to prohibit an individual from carrying out any duties required for the proper assessment of property for property tax purposes or performing duties enumerated in section 273.061, subdivision 7 or 8. If a formal resolution has been adopted by the governing body of a governmental unit, which specifies the purposes for which such work will be done, this prohibition does not apply to appraisal activities undertaken on behalf of and at the request of the governmental unit that has employed or contracted with the individual. The resolution may only allow appraisal activities which are related to condemnations, right-of-way acquisitions, or special assessments.

EFFECTIVE DATE. This section is effective the day following final enactment for testimony offered and opinions or reports prepared in cases or proceedings that have not been finally resolved.

Sec. 3. Minnesota Statutes 2008, section 273.061, subdivision 7, is amended to read:

Subd. 7. **Division of duties between local and county assessor.** The duty of the duly appointed local assessor shall be to view and appraise the value of all property as provided by law, but all the book work shall be done by the county assessor, or the assessor's assistants, and the value of all property subject to assessment and taxation shall be determined by the county assessor, except as otherwise hereinafter provided. If directed by the county assessor, the local assessor shall perform the duties enumerated in subdivision 8, paragraph (16).

Sec. 4. Minnesota Statutes 2008, section 273.061, subdivision 8, is amended to read:

Subd. 8. **Powers and duties.** The county assessor shall have the following powers and duties:

(1) To call upon and confer with the township and city assessors in the county, and advise and give them the necessary instructions and directions as to their duties under the laws of this state, to the end that a uniform assessment of all real property in the county will be attained.

(2) To assist and instruct the local assessors in the preparation and proper use of land maps and record cards, in the property classification of real and personal property, and in the determination of proper standards of value.

(3) To keep the local assessors in the county advised of all changes in assessment laws and all instructions which the assessor receives from the commissioner of revenue relating to their duties.

(4) To have authority to require the attendance of groups of local assessors at sectional meetings called by the assessor for the purpose of giving them further assistance and instruction as to their duties.

(5) To immediately commence the preparation of a large scale topographical land map of the county, in such form as may be prescribed by the commissioner of revenue, showing thereon the location of all railroads, highways and roads, bridges, rivers and lakes, swamp areas, wooded tracts, stony ridges and other features which might affect the value of the land. Appropriate symbols shall be used to indicate the best, the fair, and the poor land of the county. For use in connection with the topographical land map, the assessor shall prepare and keep available in the assessor's office tables showing fair average minimum and maximum market values per acre of cultivated, meadow, pasture, cutover, timber and waste lands of each township. The assessor shall keep the map and tables available in the office for the guidance of town assessors, boards of review, and the county board of equalization.

(6) To also prepare and keep available in the office for the guidance of town assessors, boards of review and the county board of equalization, a land valuation map of the county, in such form as may be prescribed by the commissioner of revenue. This map, which shall include the bordering tier of townships of each county adjoining, shall show the average market value per acre, both with and without improvements, as finally equalized in the last assessment of real estate, of all land in each town or unorganized township which lies outside the corporate limits of cities.

(7) To regularly examine all conveyances of land outside the corporate limits of cities of the first and second class, filed with the county recorder of the county, and keep a file, by descriptions, of the considerations shown thereon. From the information obtained by comparing the considerations shown with the market values assessed, the assessor shall make recommendations to the county board of equalization of necessary changes in individual assessments or aggregate valuations.

(8) To become familiar with the values of the different items of personal property so as to be in a position when called upon to advise the boards of review and the county board of equalization concerning property, market values thereof.

(9) While the county board of equalization is in session, to give it every possible assistance to enable it to perform its duties. The assessor shall furnish the board with all necessary charts, tables, comparisons, and data which it requires in its deliberations, and shall make whatever investigations the board may desire.

(10) At the request of either the board of county commissioners or the commissioner of revenue, to investigate applications for reductions of valuation and abatements and settlements of taxes, examine the real or personal property involved, and submit written reports and recommendations with respect to the applications, in such form as may be prescribed by the board of county commissioners and commissioner of revenue.

(11) To make diligent search each year for real and personal property which has been omitted from assessment in the county, and report all such omissions to the county auditor.

(12) To regularly confer with county assessors in all adjacent counties about the assessment of property in order to uniformly assess and equalize the value of similar properties and classes of property located in adjacent counties. The conference shall emphasize the assessment of agricultural and commercial and industrial property or other properties that may have an inadequate number of sales in a single county.

(13) To render such other services pertaining to the assessment of real and personal property in the county as are not inconsistent with the duties set forth in this section, and as may be required by the board of county commissioners or by the commissioner of revenue.

(14) To maintain a record, in conjunction with other county offices, of all transfers of property to assist in determining the proper classification of property, including but not limited to, transferring homestead property and name changes on homestead property.

(15) To determine if a homestead application is required due to the transfer of homestead property or an owner's name change on homestead property.

(16) To perform appraisals of property, review the original assessment and determine the accuracy of the original assessment, prepare an appraisal or appraisal report, and testify before any court or other body as an expert or otherwise on behalf of the assessor's jurisdiction with respect to properties in that jurisdiction.

EFFECTIVE DATE. This section is effective the day following final enactment for testimony offered and opinions or reports prepared in cases or proceedings that have not been finally resolved."

Delete the title and insert:

"A bill for an act relating to taxation; specifying duties of assessors; amending Minnesota Statutes 2008, sections 82B.035, subdivision 2; 270.41, subdivision 5; 273.061, subdivisions 7, 8."

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. 3152, A bill for an act relating to natural resources; allowing conditional uses on certain lands within the Lower St. Croix River area; amending Minnesota Statutes 2008, section 103F.351, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 103F.351, subdivision 4, is amended to read:

Subd. 4. **Rules.** (a) The commissioner of natural resources shall adopt rules that establish guidelines and specify standards for local zoning ordinances applicable to the area within the boundaries covered by the comprehensive master plan.

(b) The guidelines and standards must be consistent with this section, the federal Wild and Scenic Rivers Act, and the federal Lower St. Croix River Act of 1972. The standards specified in the guidelines must include:

(1) the prohibition of new residential, commercial, or industrial uses other than those that are consistent with the above mentioned acts; and

(2) the protection of riverway lands by means of acreage, frontage, and setback requirements on development.

(c) Cities, counties, and towns lying within the areas affected by the guidelines shall adopt zoning ordinances complying with the guidelines and standards within the time schedule prescribed by the commissioner.

(d) In rural districts, as defined in rules adopted pursuant to this section, commercial, nature-oriented, and educational uses may be allowed as conditional uses on properties that were in similar use on May 1, 1974, and on January 1, 2010, if the conditional use:

(1) complies, as far as practicable, with all dimensional standards in the rules for rural districts; and

(2) is similar in scope to the use that existed on May 1, 1974."

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. 3157, A bill for an act relating to children; modifying parent notification of child maltreatment in a school facility; amending Minnesota Statutes 2008, section 626.556, subdivisions 7, 10d.

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

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 3164, A bill for an act relating to higher education; regulating the transfer of credits within institutions belonging to the Minnesota State Colleges and Universities system; proposing coding for new law in Minnesota Statutes, chapter 136F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[136F.302] CREDIT TRANSFER.**

The board of trustees must develop and maintain a systemwide effective and efficient mechanism for seamless student transfer between system institutions that has a goal of minimal loss of credits for transferring students. The Degree Audit and Reporting System (DARS) and the u.select database and successor databases housed within the office of the chancellor is the official repository of course equivalencies between system colleges and universities. Each system college and university is responsible for ensuring the accuracy and completeness of course equivalencies listed for courses offered by that college or university. The development and maintenance of the system must, without limitation, address the following:

(1) alignment of institution curriculum and its communication to stakeholders;

(2) transfer between similar programs;

(3) documentation for transfer-related agreements between institutions;

(4) systemwide transfer information on the Internet that is easily accessible and maintained in a current and accurate status. Each system college and university shall post course descriptions and course outlines for all courses on their institutional Web sites. The links for current course outlines and course descriptions shall be submitted to the office of the chancellor for publication on the minnesotatransfer.org Web site;

(5) training for campus-level staff to provide accurate and consistent advice to students;

(6) institutional rather than student obligation to provide prompt required documentation for course equivalency determinations; and

(7) consistency of transfer policies among institutions in compliance with a system policy.

Sec. 2. **REPORT OF CREDIT TRANSFER ACTIVITIES.**

The Board of Trustees of the Minnesota State Colleges and Universities shall report on February 15, 2011, and annually thereafter through 2015, on its activities to achieve the credit transfer goals of Minnesota Statutes, section 136F.302, and the results of those activities. The report shall be made to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The goals of Minnesota Statutes, section 136F.302, should be fully achieved as soon as possible, but no later than the start of the 2015-2016 academic year."

Delete the title and insert:

"A bill for an act relating to higher education; regulating the transfer of credits within institutions belonging to the Minnesota State Colleges and Universities system; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 136F."

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. 3212, A bill for an act relating to health-related occupations; providing an exception for continuing education requirements for licensed professional counselors; amending Minnesota Statutes 2008, section 148B.54, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2008, section 148B.54, is amended by adding a subdivision to read:

Subd. 3. **Exception to continuing education requirement.** An individual who was issued a license as a professional counselor on November 1, 2004, and whose license was terminated on February 20, 2009, shall be eligible for license renewal without complying with the continuing education requirements during the first four years of licensure as required by Minnesota Rules, part 2150.2520, subpart 4, or the continuing education requirement for relicensure following termination in Minnesota Rules, part 2150.0130, subpart 2. The individual must show that at the time of license termination, except for failure to meet the continuing education requirement for renewal, there was no disciplinary action pending against the licensee. Upon relicensure, the individual must complete at least 20 continuing education credits within one year of the renewal date."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3213, A bill for an act relating to public safety; amending the controlled substance schedules by adding tramadol to schedule IV; amending Minnesota Statutes 2008, section 152.02, subdivision 5.

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. 3221, A bill for an act relating to transportation; amending certain town road extinguishment nullification procedures; amending Laws 2008, chapter 287, article 1, section 122.

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. 3250, A bill for an act relating to human services; modifying authorization of PACE programs; appropriating money; amending Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 23.

Reported the same back with the following amendments:

Page 3, line 13, delete the new language and strike "grant amounts for this purpose"

Page 3, strike lines 14 and 15

Page 3, line 16, strike "costs."

Page 4, delete section 2, and insert:

"Sec. 2. Laws 2009, chapter 79, article 13, section 3, subdivision 8, is amended to read:

Subd. 8. Continuing Care Grants

The amounts that may be spent from the appropriation for each purpose are as follows:

(a) Aging and Adult Services Grants

	Appropriations by Fund	
General	13,488,000	15,779,000
Federal	500,000	0

Base Adjustment. The general fund base is increased by \$5,751,000 in fiscal year 2012 and \$6,705,000 in fiscal year 2013.

Information and Assistance Reimbursement. Federal administrative reimbursement obtained from information and assistance services provided by the Senior LinkAge or Disability Linkage lines to people who are identified as eligible for medical assistance shall be appropriated to the commissioner for this activity.

Community Service Development Grant Reduction. Of this appropriation, \$154,000 in fiscal year 2011 and \$139,000 in fiscal year 2012 shall be used to complete the actuarial and administrative work necessary to begin the operation of PACE under Minnesota Statutes, section 256B.69, subdivision 23, paragraph (e). Funding for community service development grants must be reduced by \$251,000 for fiscal year 2010; \$266,000 in fiscal year 2011; \$25,000 in fiscal year 2012; and \$25,000 in fiscal year 2013. Base level funding shall be restored in fiscal year 2014.

Senior Nutrition Use of Federal Funds. For fiscal year 2010, general fund grants for home-delivered meals and congregate dining shall be reduced by \$500,000. The commissioner must replace these general fund reductions with equal amounts from federal funding for senior nutrition from the American Recovery and Reinvestment Act of 2009.

(b) Alternative Care Grants	50,234,000	48,576,000
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Base Adjustment. The general fund base is decreased by \$3,598,000 in fiscal year 2012 and \$3,470,000 in fiscal year 2013.

Alternative Care Transfer. Any money allocated to the alternative care program that is not spent for the purposes indicated does not cancel but must be transferred to the medical assistance account.

(c) Medical Assistance Grants; Long-Term Care Facilities.	367,444,000	419,749,000
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(d) Medical Assistance Long-Term Care Waivers and Home Care Grants	854,373,000	1,043,411,000
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Manage Growth in TBI and CADI Waivers. During the fiscal years beginning on July 1, 2009, and July 1, 2010, the commissioner shall allocate money for home and community-based waiver programs under Minnesota Statutes, section 256B.49, to ensure a reduction in state spending that is equivalent to limiting the caseload growth of the TBI waiver to 12.5 allocations per month each year of the biennium and the CADI waiver to 95 allocations per month each year of the biennium. Limits do not apply: (1) when there is an approved plan for nursing facility bed closures for individuals under age 65 who require relocation due to the bed closure; (2) to fiscal year 2009 waiver allocations delayed due to unallotment; or (3) to transfers authorized by the commissioner from the personal care assistance program of individuals having a home care rating of "CS," "MT," or "HL." Priorities for the allocation of funds must be for individuals anticipated to be discharged from institutional settings or who are at imminent risk of a placement in an institutional setting.

Manage Growth in DD Waiver. The commissioner shall manage the growth in the DD waiver by limiting the allocations included in the February 2009 forecast to 15 additional diversion allocations each month for the calendar years that begin on January 1, 2010, and January 1, 2011. Additional allocations must be made available for transfers authorized by the commissioner from the personal care program of individuals having a home care rating of "CS," "MT," or "HL."

Adjustment to Lead Agency Waiver Allocations. Prior to the availability of the alternative license defined in Minnesota Statutes, section 245A.11, subdivision 8, the commissioner shall reduce lead agency waiver allocations for the purposes of implementing a moratorium on corporate foster care.

Alternatives to Personal Care Assistance Services. Base level funding of \$3,237,000 in fiscal year 2012 and \$4,856,000 in fiscal year 2013 is to implement alternative services to personal care assistance services for persons with mental health and other behavioral challenges who can benefit from other services that more appropriately meet their needs and assist them in living independently in the community. These services may include, but not be limited to, a 1915(i) state plan option.

(e) Mental Health Grants

	Appropriations by Fund	
General	77,739,000	77,739,000
Health Care Access	750,000	750,000
Lottery Prize	1,508,000	1,508,000

Funding Usage. Up to 75 percent of a fiscal year's appropriation for adult mental health grants may be used to fund allocations in that portion of the fiscal year ending December 31.

(f) Deaf and Hard-of-Hearing Grants	1,930,000	1,917,000
(g) Chemical Dependency Entitlement Grants	111,303,000	122,822,000

Payments for Substance Abuse Treatment. For services provided during fiscal years 2010 and 2011, county-negotiated rates and provider claims to the consolidated chemical dependency fund must not exceed rates charged for these services on January 1, 2009. For services provided in fiscal years 2012 and 2013, statewide average rates under the new rate methodology to be developed under Minnesota Statutes, section 254B.12, must not exceed the average rates charged for these services on January 1, 2009, plus \$3,787,000 for fiscal year 2012 and \$5,023,000 for fiscal year 2013. Notwithstanding any provision to the contrary in this article, this provision expires on June 30, 2013.

Chemical Dependency Special Revenue Account. For fiscal year 2010, \$750,000 must be transferred from the consolidated chemical dependency treatment fund administrative account and deposited into the general fund.

County CD Share of MA Costs for ARRA Compliance. Notwithstanding the provisions of Minnesota Statutes, chapter 254B, for chemical dependency services provided during the period July 1, 2009, to December 31, 2010, and reimbursed by medical assistance at the enhanced federal matching rate provided under the American Recovery and Reinvestment Act of 2009, the county share is 30 percent of the nonfederal share.

(h) Chemical Dependency Nonentitlement Grants	1,729,000	1,729,000
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Base Adjustment. The general fund base is decreased by \$3,000 in each of fiscal years 2012 and 2013.

(i) Other Continuing Care Grants	18,272,000	13,139,000
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Base Adjustment. The general fund base is increased by \$7,028,000 in fiscal year 2012 and increased by \$8,243,000 in fiscal year 2013.

Technology Grants. \$650,000 in fiscal year 2010 and \$1,000,000 in fiscal year 2011 are for technology grants, case consultation, evaluation, and consumer information grants related to developing and supporting alternatives to shift-staff foster care residential service models.

Other Continuing Care Grants; HIV Grants. Money appropriated for the HIV drug and insurance grant program in fiscal year 2010 may be used in either year of the biennium."

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3252, A bill for an act relating to human services; modifying certain medical assistance asset limits; requiring notice regarding asset requirements in certain circumstances; amending Minnesota Statutes 2008, sections 256B.056, subdivisions 1a, 3; 256B.057, subdivision 9.

Reported the same back with the following amendments:

Page 2, line 34, delete "paragraph"

Page 2, line 35, delete "(c)."

Page 3, line 4, after the period, insert "Persons eligible under this clause are not subject to the provisions of section 256B.059."

Page 3, line 8, after "(1)" insert "but for excess earnings or assets."

Page 3, line 11, strike "effective November 1, 2003,"

Page 5, line 13, delete "Effective July 1, 2010."

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. 3263, A bill for an act relating to traffic regulations; modifying provisions governing speed limits in highway work zones; amending Minnesota Statutes 2008, section 169.14, subdivision 5d.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2008, section 169.14, subdivision 5d, is amended to read:

Subd. 5d. **Speed zoning in work zone; surcharge.** (a) The commissioner, on trunk highways and temporary trunk highways, and local authorities, on streets and highways under their jurisdiction, may authorize the use of reduced maximum speed limits in highway work zones. The commissioner or local authority is not required to conduct an engineering and traffic investigation before authorizing a reduced speed limit in a highway work zone.

(b) The minimum highway work zone speed limit is 20 miles per hour. The work zone speed limit must not reduce the established speed limit on the affected street or highway by more than 15 miles per hour, except that the highway work zone speed limit must not exceed 40 miles per hour. The commissioner or local authority shall post the limits of the work zone. Highway work zone speed limits are effective on erection of appropriate regulatory speed limit signs. The signs must be removed or covered when they are not required. A speed greater than the posted highway work zone speed limit is unlawful.

(c) Notwithstanding paragraph (b), on divided highways the commissioner or local authority may establish a highway work zone speed limit that does not exceed 55 miles per hour.

(d) Notwithstanding paragraph (b), on two-lane highways having one lane for each direction of travel with a posted speed limit of 60 miles per hour or greater, the commissioner or local authority may establish a highway work zone speed limit that does not exceed 40 miles per hour.

(e) For purposes of this subdivision, "highway work zone" means a segment of highway or street where a road authority or its agent is constructing, reconstructing, or maintaining the physical structure of the roadway, its shoulders, or features adjacent to the roadway, including underground and overhead utilities and highway appurtenances, when workers are present.

~~(e)~~ (f) Notwithstanding section 609.0331 or 609.101 or other law to the contrary, a person who violates a speed limit established under ~~paragraph (b) or (c) this subdivision~~, or who violates any other provision of this section while in a highway work zone, is assessed an additional surcharge equal to the amount of the fine imposed for the speed violation, but not less than \$25."

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. 3264, A bill for an act relating to human services; modifying personal care assistant services; amending Minnesota Statutes 2009 Supplement, sections 256B.0625, subdivision 6a; 256B.0653, subdivision 3; 256B.0659, subdivisions 1, 3, 4, 11, 13, 14, 18, 19, 20, 21, 27, 29, 30.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, line 5, after "256B.0659" insert ", including ensuring that the person gets to medical appointments if identified in the written plan of care"

Page 2, line 6, reinstate the stricken language and delete the new language

Page 2, line 15, delete "(s)" and insert "(r)"

Page 3, line 2, after the semicolon, insert "or"

Page 3, line 5, delete "; or" and insert a period

Page 3, delete lines 6 to 9

Page 3, delete lines 33 to 36

Page 4, delete lines 1 to 4

Page 4, line 5, delete "(p)" and insert "(o)"

Page 4, line 7, delete "(q)" and insert "(p)"

Page 4, line 9, delete "(r)" and insert "(q)"

Page 4, line 11, delete "(s)" and insert "(r)"

Page 4, line 15, delete ", and other payments made by the employer for the benefit of its employees"

Page 5, line 10, delete "unless"

Page 5, line 11, delete everything before the semicolon and insert "except when immediate attention is needed for health or hygiene reasons integral to the personal care services or traveling to medical appointments and the need is listed in the service plan by the assessor"

Page 5, line 22, reinstate the stricken "or"

Page 5, line 23, reinstate the stricken "and" and delete "or"

Page 5, delete line 24

Page 7, line 21, reinstate the stricken semicolon and delete the period

Page 7, delete lines 22 to 30

Page 8, line 7, after the period, insert "The training must be available in languages other than English and to those who need accommodations due to disabilities."

Page 9, line 22, after "available" insert "in languages other than English and to those who need accommodations due to disabilities."

Page 9, line 23, after "connection" insert a comma

Page 15, line 26, reinstate the stricken language

Page 15, line 31, delete the new language

Page 15, lines 32 to 34, delete the new language

Page 16, line 14, after "available" insert "in languages other than English and to those who need accommodations due to disabilities,"

Page 16, line 15, delete ", including"

Page 16, delete lines 16 and 17

Page 16, line 18, delete "subjects trained"

Page 16, line 22, reinstate the stricken "owners"

Page 16, line 23, before "employees" insert "or" and delete ", including owners"

Page 16, line 24, delete the comma

Page 17, delete section 14

Page 18, line 2, after "level" insert ", throughout the appeal process period,"

Page 18, delete section 16

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.

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

H. F. No. 3286, A bill for an act relating to metropolitan government; authorizing Metropolitan Council best value contracts and procurement for transit vehicles; amending Minnesota Statutes 2008, section 473.129, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 20, insert:

"EFFECTIVE DATE. This section is effective the day following final enactment, and applies retroactively from September 1, 2009, to eligible procurement in which the Metropolitan Council has issued a request for proposals that complies with this section and the deadline for a vendor or contractor to submit a best and final offer is after the day following final enactment."

Page 2, delete section 3

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. 3292, A bill for an act relating to Hennepin County; authorizing business entity participation for certain energy-related purposes; proposing coding for new law in Minnesota Statutes, chapter 383B.

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

The report was adopted.

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

H. F. No. 3300, A bill for an act relating to human services; modifying provisions relating to civilly committed sex offenders, sexually dangerous persons, and sexual psychopathic personalities; amending provisions relating to judicial holds in commitment cases; amending Minnesota Statutes 2008, sections 246B.01, by adding a subdivision; 253B.05, subdivision 1; 253B.07, subdivision 2b; 253B.10, subdivision 5; 253B.15, subdivision 1; 253B.18, subdivision 5a; 253B.185; 253B.19, subdivision 2; Minnesota Statutes 2009 Supplement, sections 246B.01, subdivisions 1a, 1b, 2a, 2d; 246B.02; 246B.03, subdivisions 2, 3; 246B.04, subdivision 3; 246B.05, subdivision 1; 246B.06, subdivisions 1, 6, 7, 8; 246B.07, subdivisions 1, 2; 246B.08; 246B.09; 246B.10; 253B.14.

Reported the same back with the following amendments:

Page 22, line 7, delete "on each statutory factor" and insert "to show that the person is entitled to the requested relief" and after the period, insert "If the petitioning party has met this burden, then"

Page 22, line 8, strike "the respondent is in need of"

Page 22, line 9, strike "commitment" and insert "discharge or provisional discharge should be denied"

Page 22, line 9, delete everything after the period and insert "A party seeking a transfer pursuant to section 253B.18, subdivision 6, or 253B.185, subdivision 11, must establish by a preponderance of the evidence that transfer is appropriate."

Page 22, delete line 10

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

The report was adopted.

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

H. F. No. 3312, A bill for an act relating to public safety; providing a criminal penalty for intentionally rendering a service animal unable to perform its duties; requiring that offenders who are convicted of harming service animals pay restitution; clarifying that civil remedies are not precluded by the criminal penalty for harming service animals; amending Minnesota Statutes 2008, section 343.21, subdivisions 8a, 9, 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. 3335, A bill for an act relating to Mower County; providing a process for making office of county recorder appointive.

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. 3347, A bill for an act relating to health; establishing school concession stands as a specific category of food and beverage service establishments; amending Minnesota Statutes 2008, section 157.15, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 157.16, subdivisions 1, 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 157.15, is amended by adding a subdivision to read:

Subd. 14a. **School concession stand.** "School concession stand" means a food and beverage service establishment located in a school, on school grounds, or within a school-owned athletic complex, that is operated in conjunction with school-sponsored events.

Sec. 2. Minnesota Statutes 2009 Supplement, section 157.16, subdivision 3, is amended to read:

Subd. 3. **Establishment fees; definitions.** (a) The following fees are required for food and beverage service establishments, youth camps, hotels, motels, lodging establishments, public pools, and resorts licensed under this chapter. Food and beverage service establishments must pay the highest applicable fee under paragraph (d), clause (1), (2), (3), or (4), and establishments serving alcohol must pay the highest applicable fee under paragraph (d), clause (6) or (7). The license fee for new operators previously licensed under this chapter for the same calendar year is one-half of the appropriate annual license fee, plus any penalty that may be required. The license fee for operators opening on or after October 1 is one-half of the appropriate annual license fee, plus any penalty that may be required.

(b) All food and beverage service establishments, except special event food stands, and all hotels, motels, lodging establishments, public pools, and resorts shall pay an annual base fee of \$150.

(c) A special event food stand shall pay a flat fee of \$50 annually. "Special event food stand" means a fee category where food is prepared or served in conjunction with celebrations, county fairs, or special events from a special event food stand as defined in section 157.15.

(d) In addition to the base fee in paragraph (b), each food and beverage service establishment, other than a special event food stand and a school concession stand, and each hotel, motel, lodging establishment, public pool, and resort shall pay an additional annual fee for each fee category, additional food service, or required additional inspection specified in this paragraph:

(1) Limited food menu selection, \$60. "Limited food menu selection" means a fee category that provides one or more of the following:

- (i) prepackaged food that receives heat treatment and is served in the package;
- (ii) frozen pizza that is heated and served;
- (iii) a continental breakfast such as rolls, coffee, juice, milk, and cold cereal;
- (iv) soft drinks, coffee, or nonalcoholic beverages; or
- (v) cleaning for eating, drinking, or cooking utensils, when the only food served is prepared off site.

(2) Small establishment, including boarding establishments, \$120. "Small establishment" means a fee category that has no salad bar and meets one or more of the following:

(i) possesses food service equipment that consists of no more than a deep fat fryer, a grill, two hot holding containers, and one or more microwave ovens;

- (ii) serves dipped ice cream or soft serve frozen desserts;
- (iii) serves breakfast in an owner-occupied bed and breakfast establishment;
- (iv) is a boarding establishment; or

(v) meets the equipment criteria in clause (3), item (i) or (ii), and has a maximum patron seating capacity of not more than 50.

(3) Medium establishment, \$310. "Medium establishment" means a fee category that meets one or more of the following:

- (i) possesses food service equipment that includes a range, oven, steam table, salad bar, or salad preparation area;
- (ii) possesses food service equipment that includes more than one deep fat fryer, one grill, or two hot holding containers; or
- (iii) is an establishment where food is prepared at one location and served at one or more separate locations.

Establishments meeting criteria in clause (2), item (v), are not included in this fee category.

(4) Large establishment, \$540. "Large establishment" means either:

(i) a fee category that (A) meets the criteria in clause (3), items (i) or (ii), for a medium establishment, (B) seats more than 175 people, and (C) offers the full menu selection an average of five or more days a week during the weeks of operation; or

(ii) a fee category that (A) meets the criteria in clause (3), item (iii), for a medium establishment, and (B) prepares and serves 500 or more meals per day.

(5) Other food and beverage service, including food carts, mobile food units, seasonal temporary food stands, and seasonal permanent food stands, \$60.

(6) Beer or wine table service, \$60. "Beer or wine table service" means a fee category where the only alcoholic beverage service is beer or wine, served to customers seated at tables.

(7) Alcoholic beverage service, other than beer or wine table service, \$165.

"Alcohol beverage service, other than beer or wine table service" means a fee category where alcoholic mixed drinks are served or where beer or wine are served from a bar.

(8) Lodging per sleeping accommodation unit, \$10, including hotels, motels, lodging establishments, and resorts, up to a maximum of \$1,000. "Lodging per sleeping accommodation unit" means a fee category including the number of guest rooms, cottages, or other rental units of a hotel, motel, lodging establishment, or resort; or the number of beds in a dormitory.

(9) First public pool, \$325; each additional public pool, \$175. "Public pool" means a fee category that has the meaning given in section 144.1222, subdivision 4.

(10) First spa, \$175; each additional spa, \$100. "Spa pool" means a fee category that has the meaning given in Minnesota Rules, part 4717.0250, subpart 9.

(11) Private sewer or water, \$60. "Individual private water" means a fee category with a water supply other than a community public water supply as defined in Minnesota Rules, chapter 4720. "Individual private sewer" means a fee category with an individual sewage treatment system which uses subsurface treatment and disposal.

(12) Additional food service, \$150. "Additional food service" means a location at a food service establishment, other than the primary food preparation and service area, used to prepare or serve food to the public. "Additional food service" does not apply to school concession stands.

(13) Additional inspection fee, \$360. "Additional inspection fee" means a fee to conduct the second inspection each year for elementary and secondary education facility school lunch programs when required by the Richard B. Russell National School Lunch Act.

(e) A fee for review of construction plans must accompany the initial license application for restaurants, hotels, motels, lodging establishments, resorts, seasonal food stands, and mobile food units. The fee for this construction plan review is as follows:

Service Area	Type	Fee
Food	limited food menu	\$275
	small establishment	\$400
	medium establishment	\$450
	large food establishment	\$500
	additional food service	\$150
Transient food service	food cart	\$250
	seasonal permanent food stand	\$250
	seasonal temporary food stand	\$250
	mobile food unit	\$350
Alcohol	beer or wine table service	\$150
	alcohol service from bar	\$250
Lodging	less than 25 rooms	\$375
	25 to less than 100 rooms	\$400
	100 rooms or more	\$500
	less than five cabins	\$350
	five to less than ten cabins	\$400
	ten cabins or more	\$450

(f) When existing food and beverage service establishments, hotels, motels, lodging establishments, resorts, seasonal food stands, and mobile food units are extensively remodeled, a fee must be submitted with the remodeling plans. The fee for this construction plan review is as follows:

Service Area	Type	Fee
Food	limited food menu	\$250
	small establishment	\$300
	medium establishment	\$350
	large food establishment	\$400
	additional food service	\$150
Transient food service	food cart	\$250
	seasonal permanent food stand	\$250
	seasonal temporary food stand	\$250
	mobile food unit	\$250
Alcohol	beer or wine table service	\$150
	alcohol service from bar	\$250

Lodging	less than 25 rooms	\$250
	25 to less than 100 rooms	\$300
	100 rooms or more	\$450
	less than five cabins	\$250
	five to less than ten cabins	\$350
	ten cabins or more	\$400

(g) Special event food stands are not required to submit construction or remodeling plans for review.

(h) Youth camps shall pay an annual single fee for food and lodging as follows:

- (1) camps with up to 99 campers, \$325;
- (2) camps with 100 to 199 campers, \$550; and
- (3) camps with 200 or more campers, \$750."

Delete the title and insert:

"A bill for an act relating to health; defining school concession stands under food and beverage service establishments; amending Minnesota Statutes 2008, section 157.15, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 157.16, subdivision 3."

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. 3367, A bill for an act relating to the environment; modifying requirements for solid waste disposal facilities; amending Minnesota Statutes 2008, section 116.07, subdivisions 4, 4h.

Reported the same back with the following amendments:

Page 2, delete lines 21 to 23 and insert "The financial assurance and siting modifications to the rules specified in this act do not apply to solid waste facilities initially permitted before January 1, 2011, including future contiguous expansions and noncontiguous expansions within 600 yards of a permitted boundary."

Page 2, line 24, delete everything before "The"

Page 2, line 29, delete everything after "facilities" and insert a period

Page 2, line 30, delete the new language

Page 6, line 11, after "private" insert "and public"

Page 6, line 14, after "needed" insert ", based on the threat to human health and the environment"

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. 3381, A bill for an act relating to public safety; increasing retention of juvenile history data to one year for a child who was arrested but not referred to a diversion program and delinquency petition has not been filed; amending Minnesota Statutes 2008, section 299C.095, 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.

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

H. F. No. 3391, A bill for an act relating to children; modifying provisions relating to children in need of protection or services; amending Minnesota Statutes 2008, sections 260C.007, subdivisions 6, 14; 260C.163, subdivision 2; 260C.201, by adding a subdivision; 260C.301, subdivision 1; Minnesota Statutes 2009 Supplement, sections 260.012; 260C.175, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 260C.007, subdivision 6, is amended to read:

Subd. 6. **Child in need of protection or services.** "Child in need of protection or services" means a child who is in need of protection or services because the child:

(1) is abandoned or without parent, guardian, or custodian;

(2)(i) has been a victim of physical or sexual abuse as defined in section 626.556, subdivision 2, (ii) resides with or has resided with a victim of child abuse as defined in subdivision 5 or domestic child abuse as defined in subdivision 13, (iii) resides with or would reside with a perpetrator of domestic child abuse as defined in subdivision 13 or child abuse as defined in subdivision 5 or 13, or (iv) is a victim of emotional maltreatment as defined in subdivision 15;

(3) is without necessary food, clothing, shelter, education, or other required care for the child's physical or mental health or morals because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(4) is without the special care made necessary by a physical, mental, or emotional condition because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(5) is medically neglected, which includes, but is not limited to, the withholding of medically indicated treatment from a disabled infant with a life-threatening condition. The term "withholding of medically indicated treatment" means the failure to respond to the infant's life-threatening conditions by providing treatment, including appropriate nutrition, hydration, and medication which, in the treating physician's or physicians' reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all conditions, except that the term does not include the failure to provide treatment other than appropriate nutrition, hydration, or medication to an infant when, in the treating physician's or physicians' reasonable medical judgment:

(i) the infant is chronically and irreversibly comatose;

(ii) the provision of the treatment would merely prolong dying, not be effective in ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be futile in terms of the survival of the infant; or

(iii) the provision of the treatment would be virtually futile in terms of the survival of the infant and the treatment itself under the circumstances would be inhumane;

(6) is one whose parent, guardian, or other custodian for good cause desires to be relieved of the child's care and custody, including a child who entered foster care under a voluntary placement agreement between the parent and the responsible social services agency under section 260C.212, subdivision 8;

(7) has been placed for adoption or care in violation of law;

(8) is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of the child's parent, guardian, or other custodian;

(9) is one whose behavior, condition, or environment is such as to be injurious or dangerous to the child or others. An injurious or dangerous environment may include, but is not limited to, the exposure of a child to criminal activity in the child's home;

(10) is experiencing growth delays, which may be referred to as failure to thrive, that have been diagnosed by a physician and are due to parental neglect;

(11) has engaged in prostitution as defined in section 609.321, subdivision 9;

(12) has committed a delinquent act or a juvenile petty offense before becoming ten years old;

(13) is a runaway;

(14) is a habitual truant; ~~or~~

(15) has been found incompetent to proceed or has been found not guilty by reason of mental illness or mental deficiency in connection with a delinquency proceeding, a certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a proceeding involving a juvenile petty offense; or

(16) has a parent whose parental rights to one or more other children were involuntarily terminated or whose custodial rights to another child have been involuntarily transferred to a relative and there is a case plan prepared by the responsible social services agency documenting a compelling reason why filing the termination of parental rights petition under section 260C.301, subdivision 3, is not in the best interests of the child.

Sec. 2. Minnesota Statutes 2008, section 260C.163, subdivision 2, is amended to read:

Subd. 2. **Right to participate in proceedings.** A child who is the subject of a petition, and the parents, guardian, or legal custodian of the child have the right to participate in all proceedings on a petition. Official tribal representatives have the right to participate in any proceeding that is subject to the Indian Child Welfare Act of 1978, United States Code, title 25, sections 1901 to 1963.

Any grandparent of the child has a right to participate in the proceedings to the same extent as a parent, if the child has lived with the grandparent within the two years preceding the filing of the petition. At the first hearing following the filing of a petition, the court shall ask whether the child has lived with a grandparent within the last two years, except that the court need not make this inquiry if the petition states that the child did not live with a grandparent during this time period. Failure to notify a grandparent of the proceedings is not a jurisdictional defect.

If, in a permanency proceeding involving a child in need of protection or services, the responsible social services agency recommends any party files a petition for transfer of permanent legal and physical custody to a named relative, the relative has a right to participate in the permanency proceeding as a party solely on the issue of the relative's suitability to be a legal and physical custodian for the child and whether the transfer is in the child's best interests, and thereafter shall receive notice of any hearing in the proceedings.

Sec. 3. Minnesota Statutes 2009 Supplement, section 260C.175, subdivision 1, is amended to read:

Subdivision 1. **Immediate custody.** No child may be taken into immediate custody except:

(1) with an order issued by the court in accordance with the provisions of section 260C.151, subdivision 6, or Laws 1997, chapter 239, article 10, section 10, paragraph (a), clause (3), or 12, paragraph (a), clause (3), or by a warrant issued in accordance with the provisions of section 260C.154;

(2) by a peace officer:

(i) when a child has run away from a parent, guardian, or custodian, or when the peace officer reasonably believes the child has run away from a parent, guardian, or custodian, but only for the purpose of transporting the child home, to the home of a relative, or to another safe place which may include a shelter care facility; or

(ii) when a child is found in surroundings or conditions which endanger the child's health or welfare or which such peace officer reasonably believes will endanger the child's health or welfare. If an Indian child is a resident of a reservation or is domiciled on a reservation but temporarily located off the reservation, the taking of the child into custody under this clause shall be consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1922;

(3) by a peace officer or probation or parole officer when it is reasonably believed that the child has violated the terms of probation, parole, or other field supervision; or

(4) by a peace officer or probation officer under section 260C.143, subdivision 1 or 4."

Delete the title and insert:

"A bill for an act relating to children; modifying certain provisions relating to children in need of protection and services; amending Minnesota Statutes 2008, sections 260C.007, subdivision 6; 260C.163, subdivision 2; Minnesota Statutes 2009 Supplement, section 260C.175, subdivision 1."

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. 3405, A bill for an act relating to human services; modifying the commissioner's duties related to the state medical review team; amending Minnesota Statutes 2009 Supplement, section 256.01, subdivision 29.

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. 3420, A bill for an act relating to public safety; conforming medical examination requirements for commercial driver's license to federal law; amending Minnesota Statutes 2008, sections 171.01, by adding subdivisions; 171.04, by adding a subdivision; 171.09, subdivision 1; 171.12, subdivisions 2a, 3; 171.162.

Reported the same back with the following amendments:

Page 2, line 11, delete everything after "390.5" and insert a period

Page 2, delete line 12

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. 3442, A bill for an act relating to human services; modifying personal care assistance requirements; modifying nursing assistant requirements; modifying housing with services registration fees and certain other license fees; requiring long-term care transitional assistance; modifying customized living services; modifying housing with services; changing the rate a nursing facility may charge a private-pay resident; amending Minnesota Statutes 2008, sections 144A.4605, subdivision 5; 144A.61, by adding a subdivision; 144D.03, subdivisions 1, 2, by adding a subdivision; 144D.04, subdivision 2; 144G.06; 256B.0915, by adding a subdivision; 256B.441, subdivision 48, by adding subdivisions; 256B.48, subdivision 1; Minnesota Statutes 2009 Supplement, sections 256.975, subdivision 7; 256B.0625, subdivision 19a; 256B.0659, subdivision 11; 256B.0911, subdivision 3c; 256B.441, subdivision 55; proposing coding for new law in Minnesota Statutes, chapter 144D.

Reported the same back with the following amendments:

Page 3, delete section 5

Page 10, delete section 13

Page 12, delete sections 15 and 16

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete everything after "services;" and insert "increasing license and registration fees for certain home care providers; creating a nursing assistant registration fee; modifying housing with services establishments and personal care assistants; providing a rate reduction for customized living services; changing the phase-in for nursing facility rate rebasing; providing a nursing facility rate reduction; changing the rate a nursing facility may charge a private pay resident;"

Page 1, delete lines 3 to 6

Page 1, line 7, delete "private-pay resident;"

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3458, A bill for an act relating to transportation; requiring consultation by Minnesota Department of Transportation on roundabout design; amending Minnesota Statutes 2008, section 161.162, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 161.

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. 3459, A bill for an act relating to environment; delaying local ordinance adoption requirements regarding subsurface sewage treatment systems and modifying certain advisory committee requirements; amending Minnesota Statutes 2009 Supplement, section 115.55, subdivisions 3, 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 115.55, subdivision 3, is amended to read:

Subd. 3. **Rules and duties.** (a) The agency shall adopt rules containing minimum standards and criteria for the design, location, installation, use, maintenance, and closure of subsurface sewage treatment systems. The rules must include:

- (1) how the agency will ensure compliance under subdivision 2;
- (2) how local units of government shall enforce ordinances under subdivision 2, including requirements for permits and inspection programs;
- (3) how the advisory committee will participate in review and implementation of the rules;
- (4) provisions for nonstandard systems and performance-based systems;
- (5) provisions for handling and disposal of effluent;
- (6) provisions for system abandonment; and

(7) procedures for variances, including the consideration of variances based on cost and variances that take into account proximity of a system to other systems.

(b) The agency shall ~~consult~~ work in collaboration with the advisory committee before adopting rules or making amendments to rules under this subdivision.

(c) The rules required in paragraph (a) must also address the following:

(1) a definition of redoximorphic features and other criteria that can be used by system designers and inspectors;

(2) direction on the interpretation of observed soil features that may be redoximorphic and their relation to zones of periodic saturation; and

(3) procedures on how to resolve professional disagreements on periodically saturated soils.

(d) The agency shall work in collaboration with the advisory committee and its partner local units of government to create elective enhanced subsurface sewage treatment standards that a local unit of government may opt to incorporate into their ordinance where the local unit of government believes additional regulation is necessary to achieve the goals of this section.

(e) The agency shall provide the local units of government an annual summary of all subsurface sewage treatment system complaints received, general status of each complaint and number of enforcement actions taken, and monetary penalties collected.

Sec. 2. SUBSURFACE SEWAGE TREATMENT SYSTEMS ORDINANCE ADOPTION DELAY.

(a) Notwithstanding Minnesota Statutes, section 115.55, subdivision 2, a county may adopt an ordinance to comply with the revisions to subsurface sewage treatment system rules adopted February 4, 2008, within four years. A county must continue to enforce its current ordinance until a new one has been adopted.

(b) The advisory committee defined under Minnesota Statutes, section 115.55, subdivision 1, paragraph (b), shall submit written comments on the subsurface sewage treatment system rules adopted February 4, 2008, to the commissioner of the Pollution Control Agency. The commissioner shall provide the advisory committee with written acknowledgment of all advisory committee recommendations within 30 days of receipt, including an indication of whether the agency will follow each recommendation of the advisory committee and explanations of why the agency proposes not to follow any particular recommendation of the advisory committee.

(c) The advisory committee and the Pollution Control Agency shall work in collaboration on amendments to the agency rules adopted on February 4, 2008, and any subsequent amendments. The advisory committee shall make specific recommendations on the rules and any subsequent amendments.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to environment; delaying local ordinance adoption requirements regarding subsurface sewage treatment systems and modifying certain advisory committee requirements; amending Minnesota Statutes 2009 Supplement, section 115.55, subdivision 3."

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. 3460, A bill for an act relating to motor vehicles; changing definition to conform to International Registration Plan for commercial motor vehicles; amending Minnesota Statutes 2008, section 168.187, subdivision 5.

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. 3462, A bill for an act relating to drivers' licenses; providing for driver's license cancellation for failure to pay final installment of driver's license reinstatement fee and surcharges; amending Minnesota Statutes 2008, section 171.14; Minnesota Statutes 2009 Supplement, section 171.29, 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.

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

H. F. No. 3468, A bill for an act relating to local government; providing for town meeting minutes; amending Minnesota Statutes 2008, section 365.55.

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

The report was adopted.

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

H. F. No. 3473, A bill for an act relating to energy; expanding small city energy efficiency grant program to include commercial buildings; amending Laws 2009, chapter 138, article 2, section 4.

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

The report was adopted.

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

H. F. No. 3479, A bill for an act relating to public safety; authorizing the Office of Administrative Hearings to review driver's license revocation or disqualification and motor vehicle plate impoundment resulting from implied consent violations; 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.

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.

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

H. F. No. 3482, A bill for an act relating to natural resources; providing for designation of an aquatic management area.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3492, A bill for an act relating to capital investment; appropriating money for higher education asset preservation and replacement; authorizing the sale and issuance of state bonds.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

"Sec. 2. **APPROPRIATIONS MADE ONLY ONCE.**

If the appropriations made in this act are enacted more than once in the 2010 regular session, these appropriations must be given effect only once.

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

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

The report was adopted.

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

H. F. No. 3494, A bill for an act relating to natural resources; modifying provisions for wetland value replacement plans; amending Minnesota Statutes 2008, section 103G.2242, subdivisions 2a, 9, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2008, section 103G.222, subdivision 3, is amended to read:

Subd. 3. **Wetland replacement siting.** (a) Siting wetland replacement must follow this priority order:

(1) on site or in the same minor watershed as the affected wetland;

(2) in the same watershed as the affected wetland;

(3) in the same county as the affected wetland;

(4) for replacement by wetland banking, in the same wetland bank service area as the impacted wetland, except that impacts in a 50 to 80 percent area must be replaced in a 50 to 80 percent area and impacts in a less than 50 percent area must be replaced in a less than 50 percent area;

(5) for project-specific replacement, in an adjacent watershed to the affected wetland, or for replacement by wetland banking, in an adjacent wetland bank service area, except that impacts in a 50 to 80 percent area must be replaced in a 50 to 80 percent area and impacts in a less than 50 percent area must be replaced in a less than 50 percent area; and

(6) statewide for public transportation projects, except that wetlands affected in less than 50 percent areas must be replaced in less than 50 percent areas, and wetlands affected in the seven-county metropolitan area must be replaced at a ratio of two to one in: (i) the affected county or, (ii) in another of the seven metropolitan counties, or (iii) in one of the major watersheds that are wholly or partially within the seven-county metropolitan area, but at least one to one must be replaced within the seven-county metropolitan area.

(b) Notwithstanding paragraph (a), siting wetland replacement in greater than 80 percent areas may follow the priority order under this paragraph: (1) by wetland banking after evaluating on-site replacement and replacement within the watershed; (2) replaced in an adjacent wetland bank service area if wetland bank credits are not reasonably available in the same wetland bank service area as the affected wetland, as determined by a comprehensive inventory approved by the board; and (3) statewide. For project-specific wetland replacement conducted under a permit to mine under section 93.481, wetland bank service areas delineated by the Lake Superior and Rainy River watershed basins shall be considered as a single wetland bank service area.

(c) Notwithstanding paragraph (a), siting wetland replacement in the seven-county metropolitan area must follow the priority order under this paragraph: (1) in the affected county; (2) in another of the seven metropolitan counties; or (3) in one of the major watersheds that are wholly or partially within the seven-county metropolitan area, but at least one to one must be replaced within the seven-county metropolitan area.

(d) The exception in paragraph (a), clause (6), does not apply to replacement completed using wetland banking credits established by a person who submitted a complete wetland banking application to a local government unit by April 1, 1996.

(e) When reasonable, practicable, and environmentally beneficial replacement opportunities are not available in siting priorities listed in paragraph (a), the applicant may seek opportunities at the next level.

(f) For the purposes of this section, "reasonable, practicable, and environmentally beneficial replacement opportunities" are defined as opportunities that:

(1) take advantage of naturally occurring hydrogeomorphological conditions and require minimal landscape alteration;

(2) have a high likelihood of becoming a functional wetland that will continue in perpetuity;

(3) do not adversely affect other habitat types or ecological communities that are important in maintaining the overall biological diversity of the area; and

(4) are available and capable of being done after taking into consideration cost, existing technology, and logistics consistent with overall project purposes.

(g) Regulatory agencies, local government units, and other entities involved in wetland restoration shall collaborate to identify potential replacement opportunities within their jurisdictional areas."

Page 2, line 13, delete everything after the period

Page 2, delete lines 14 and 15

Page 2, line 16, delete everything before the period and insert "The time period for making a decision may be extended if the appellant and local government unit mutually agree, in writing. The agreement must specify the duration of the extension"

Page 2, line 20, after "sequencing" insert a comma

Page 3, line 1, reinstate the stricken "or"

Page 3, delete lines 2 to 4

Page 3, line 5, reinstate the stricken "(5)" and delete "(6)"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "value"

Page 1, line 3, delete "plans"

Correct the title numbers accordingly

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. 3499, A bill for an act relating to metropolitan government; authorizing the cities of Minneapolis and St. Paul to expand certain residential energy conservation programs to include commercial and industrial property; amending Laws 1981, chapter 222, sections 1; 2; 3; 4, subdivision 2; repealing Laws 1981, chapter 222, section 7.

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. 3506, A bill for an act relating to traffic regulations; allocating portion of fines and civil penalties imposed for excessive weight violations in Washington County to Washington County; amending Minnesota Statutes 2008, section 169.871, subdivision 5.

Reported the same back with the recommendation that 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. 3508, A bill for an act relating to veterans; clarifying and amending certain Veterans Preference Act provisions; amending Minnesota Statutes 2008, section 197.481, subdivisions 1, 2, 4.

Reported the same back with the following amendments:

Page 2, line 5, strike "hold" and insert "schedule"

Page 2, line 6, after "party" insert "to be held or conducted"

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. 3512, A bill for an act relating to indoor air quality; requiring indoor ice arenas to have electronic air monitoring devices; requiring that grants to construct and renovate indoor ice arenas require an electronic air monitoring device in the facility; requiring reports; amending Minnesota Statutes 2008, sections 144.1222, by adding a subdivision; 240A.09.

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

The report was adopted.

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

H. F. No. 3541, A bill for an act relating to education; requiring legislative authority for developing shared common assessments; amending Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1.

Reported the same back with the following amendments:

Page 4, line 19, after "enactment" insert ", and applies to agreements entered into after the effective date of this act"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 3565, A bill for an act relating to higher education; providing information on textbook prices to students; amending Minnesota Statutes 2008, sections 135A.25, by adding a subdivision; 136F.58, by adding a subdivision.

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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 214.10, is amended by adding a subdivision to read:

Subd. 1a. **Conviction of a felony-level criminal sexual conduct offense.** (a) A board may not grant a license to any person licensed under section 214.01, subdivision 2, who has been convicted of a felony-level criminal sexual conduct offense.

(b) A license to practice is automatically revoked if the licensee is convicted of a felony-level criminal sexual conduct offense.

(c) A license that has been denied or revoked under this subdivision is not subject to chapter 364.

(d) For purposes of this subdivision, "conviction" means a plea of guilty, a verdict of guilty by a jury, or a finding of guilty by the court, and "criminal sexual conduct offense" means a violation of sections 609.342 to 609.345 or a similar statute in another jurisdiction."

Delete the title and insert:

"A bill for an act relating to health occupations; requiring license revocation and license denial for any health-related licensed professional convicted of a felony-level criminal sexual conduct offense; amending Minnesota Statutes 2008, section 214.10, by adding a subdivision."

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:

S. F. No. 863, A bill for an act relating to data practices; classifying government data; modifying provisions governing temporary classifications and personnel data; amending business screening services provisions; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2, by adding subdivisions; 13.64; 13.643, by adding a subdivision; 13.7931, by adding a subdivision; 13.87, by adding a subdivision; 13.871, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 270B.14, subdivision 16; 299C.156, subdivision 5; 332.70, subdivisions 1, 2, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 13; 84; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL PROVISIONS

Section 1. Minnesota Statutes 2008, section 13.05, subdivision 4, is amended to read:

Subd. 4. **Limitations on collection and use of data.** Private or confidential data on an individual shall not be collected, stored, used, or disseminated by government entities for any purposes other than those stated to the individual at the time of collection in accordance with section 13.04, except as provided in this subdivision.

(a) Data collected prior to August 1, 1975, and which have not been treated as public data, may be used, stored, and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.

(b) Private or confidential data may be used and disseminated to individuals or entities specifically authorized access to that data by state, local, or federal law enacted or promulgated after the collection of the data.

(c) Private or confidential data may be used and disseminated to individuals or entities subsequent to the collection of the data when the responsible authority maintaining the data has requested approval for a new or different use or dissemination of the data and that request has been specifically approved by the commissioner as necessary to carry out a function assigned by law.

(d) Private data may be used by and disseminated to any person or entity if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner. ~~The format for informed consent is as follows, unless otherwise prescribed by the HIPAA, Standards for Privacy of Individually Identifiable Health Information, 65 Fed. Reg. 82, 461 (2000) (to be codified as Code of Federal Regulations, title 45, section 164): informed consent shall not be deemed to have been given by an individual subject of the data by the signing of any statement authorizing any person or entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:~~

~~(1) in plain language;~~

~~(2) dated;~~

~~(3) specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;~~

~~(4) specific as to the nature of the information the subject is authorizing to be disclosed;~~

~~(5) specific as to the persons or entities to whom the subject is authorizing information to be disclosed;~~

~~(6) specific as to the purpose or purposes for which the information may be used by any of the parties named in clause (5), both at the time of the disclosure and at any time in the future;~~

~~(7) specific as to its expiration date which should be within a reasonable period of time, not to exceed one year except in the case of authorizations given in connection with applications for (i) life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy or (ii) medical assistance under chapter 256B or MinnesotaCare under chapter 256L, which shall be ongoing during all terms of eligibility, for individual education plan health-related services provided by a school district under section 125A.21, subdivision 2.~~

The responsible authority may require a person requesting copies of data under this paragraph to pay the actual costs of making; ~~and certifying, and compiling~~ the copies.

(e) Private or confidential data on an individual may be discussed at a meeting open to the public to the extent provided in section 13D.05.

Sec. 2. Minnesota Statutes 2008, section 13.05, is amended by adding a subdivision to read:

Subd. 4a. **Informed consent for insurance purposes.** Informed consent for insurance purposes must comply with this subdivision, unless otherwise prescribed by the HIPAA Standards for Privacy of Individually Identifiable Health Information, Code of Federal Regulations, title 45, section 164. Informed consent for insurance purposes is not considered to have been given by an individual subject of data by the signing of a statement authorizing a government entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:

(1) in plain language;

(2) dated;

(3) specific in designating the government entity the data subject is authorizing to disclose information about the data subject;

(4) specific as to the nature of the information the data subject is authorizing to be disclosed;

(5) specific as to the persons to whom the data subject is authorizing information to be disclosed;

(6) specific as to the purpose or purposes for which the information may be used by any of the persons named in clause (5), both at the time of the disclosure and at any time in the future; and

(7) specific as to its expiration date, which must be within a reasonable period of time, not to exceed one year.

Notwithstanding clause (7), in the case of authorizations given in connection with applications for life insurance or noncancelable or guaranteed renewable health insurance that is so identified, the expiration date must not exceed two years after the date of the policy. An authorization in connection with medical assistance under chapter 256B or MinnesotaCare under chapter 256L or for individual education plan health-related services provided by a school district under section 125A.21, subdivision 2, is valid during all terms of eligibility.

Sec. 3. Minnesota Statutes 2008, section 13.43, subdivision 1, is amended to read:

Subdivision 1. **Definition.** As used in this section, "personnel data" means government data on individuals ~~collected~~ maintained because the individual is or was an employee of or an applicant for employment by, performs services on a voluntary basis for, or acts as an independent contractor with a government entity. Personnel data includes data submitted by an employee to a government entity as part of an organized self-evaluation effort by the government entity to request suggestions from all employees on ways to cut costs, make government more efficient, or improve the operation of government. An employee who is identified in a suggestion shall have access to all data in the suggestion except the identity of the employee making the suggestion.

Sec. 4. Minnesota Statutes 2008, section 13.43, subdivision 2, is amended to read:

Subd. 2. **Public data.** (a) Except for employees described in subdivision 5 and subject to the limitations described in subdivision 5a, the following personnel data on current and former employees, volunteers, and independent contractors of a government entity is public:

(1) name; employee identification number, which must not be the employee's Social Security number; actual gross salary; salary range; terms and conditions of employment relationship; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; and the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary;

(2) job title and bargaining unit; job description; education and training background; and previous work experience;

(3) date of first and last employment;

(4) the existence and status of any complaints or charges against the employee, regardless of whether the complaint or charge resulted in a disciplinary action;

(5) the final disposition of any disciplinary action together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the public body;

(6) the terms of any agreement settling any dispute arising out of an employment relationship, including a buyout agreement as defined in section 123B.143, subdivision 2, paragraph (a); except that the agreement must include specific reasons for the agreement if it involves the payment of more than \$10,000 of public money;

(7) work location; a work telephone number; badge number; work-related continuing education; and honors and awards received; and

(8) payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data.

(b) For purposes of this subdivision, a final disposition occurs when the government entity makes its final decision about the disciplinary action, regardless of the possibility of any later proceedings or court proceedings. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement. Final disposition includes a resignation by an individual when the resignation occurs after the final decision of the government entity, or arbitrator. A disciplinary action does not become public data if an arbitrator sustains a grievance and reverses all aspects of any disciplinary action.

(c) The government entity may display a photograph of a current or former employee to a prospective witness as part of the government entity's investigation of any complaint or charge against the employee.

(d) A complainant has access to a statement provided by the complainant to a government entity in connection with a complaint or charge against an employee.

(e) Notwithstanding paragraph (a), clause (5), upon completion of an investigation of a complaint or charge against a public official, or if a public official resigns or is terminated from employment while the complaint or charge is pending, all data relating to the complaint or charge are public, unless access to the data would jeopardize an active investigation or reveal confidential sources. For purposes of this paragraph, "public official" means:

- (1) the head of a state agency and deputy and assistant state agency heads;
- (2) members of boards or commissions required by law to be appointed by the governor or other elective officers; and
- (3) executive or administrative heads of departments, bureaus, divisions, or institutions within state government.

Sec. 5. Minnesota Statutes 2008, section 13.44, subdivision 3, is amended to read:

Subd. 3. **Real property; appraisal data.** (a) **Confidential or protected nonpublic data.** Estimated or appraised values of individual parcels of real property that are made by personnel of a government entity or by independent appraisers acting for a government entity for the purpose of selling or acquiring land through purchase or condemnation are classified as confidential data on individuals or protected nonpublic data.

(b) **Private or nonpublic data.** Appraised values of individual parcels of real property that are made by appraisers working for fee owners or contract purchasers who have received an offer to purchase their property from a government entity are classified as private data on individuals or nonpublic data.

(c) **Public data.** The data made confidential or protected nonpublic under paragraph (a) or made private or nonpublic under paragraph (b) become public upon the occurrence of any of the following:

- (1) the data are submitted to a court-appointed condemnation commissioner;
- (2) the data are presented in court in condemnation proceedings; or
- (3) the negotiating parties enter into an agreement for the purchase and sale of the property.

The data made confidential or protected nonpublic under paragraph (a) may be made public at the discretion of a political subdivision, as determined by majority vote of its governing body.

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

Sec. 6. Minnesota Statutes 2009 Supplement, section 13.64, is amended to read:

13.64 DEPARTMENT OF ADMINISTRATION; MANAGEMENT AND BUDGET DATA.

Subdivision 1. Department of Management and Budget. (a) Notes and preliminary drafts of reports created, collected, or maintained by the Management Analysis Division, Department of Management and Budget, and prepared during management studies, audits, reviews, consultations, or investigations are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued.

(b) Data that support the conclusions of the report and that the commissioner of management and budget reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued.

(c) Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if:

(1) the data supplied by the individual were needed for a report; and

(2) the data would not have been provided to the Management Analysis Division without an assurance to the individual that the individual's identity would remain private, or the Management Analysis Division reasonably believes that the individual would not have provided the data.

Subd. 2. Department of Administration. Security features of building plans, building specifications, and building drawings of state-owned facilities and nonstate-owned facilities leased by the state are classified as nonpublic data when maintained by the Department of Administration and may be shared with anyone as needed to perform duties of the commissioner.

Sec. 7. Minnesota Statutes 2008, section 13.792, is amended to read:

13.792 PRIVATE DONOR GIFT DATA.

The following data maintained by the Minnesota Zoological Garden, the University of Minnesota, the Minnesota State Colleges and Universities, the Regional Parks Foundation of the Twin Cities, and any related entity subject to chapter 13 are classified as private or nonpublic:

(1) research information about prospects and donors gathered to aid in determining appropriateness of solicitation and level of gift request;

(2) specific data in prospect lists that would identify prospects to be solicited, dollar amounts to be requested, and name of solicitor;

(3) portions of solicitation letters and proposals that identify the prospect being solicited and the dollar amount being requested;

(4) letters, pledge cards, and other responses received from donors regarding prospective gifts in response to solicitations;

(5) portions of thank-you letters and other gift acknowledgment communications that would identify the name of the donor and the specific amount of the gift, pledge, or pledge payment;

(6) donor financial or estate planning information, or portions of memoranda, letters, or other documents commenting on any donor's financial circumstances; and

(7) data detailing dates of gifts, payment schedule of gifts, form of gifts, and specific gift amounts made by donors.

Names of donors and gift ranges are public data.

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

Sec. 8. Minnesota Statutes 2008, section 13.87, is amended by adding a subdivision to read:

Subd. 5. **Parole and probation authority access to records.** Parole and county probation authorities may access data identified in subdivision 2 on an applicant or permit holder who is also a defendant, parolee, or probationer of a district court.

Sec. 9. Minnesota Statutes 2008, section 13D.05, subdivision 3, is amended to read:

Subd. 3. **What meetings may be closed.** (a) A public body may close a meeting to evaluate the performance of an individual who is subject to its authority. The public body shall identify the individual to be evaluated prior to closing a meeting. At its next open meeting, the public body shall summarize its conclusions regarding the evaluation. A meeting must be open at the request of the individual who is the subject of the meeting.

(b) Meetings may be closed if the closure is expressly authorized by statute or permitted by the attorney-client privilege.

(c) A public body may close a meeting:

- (1) to determine the asking price for real or personal property to be sold by the government entity;
- (2) to review confidential or protected nonpublic appraisal data under section 13.44, subdivision 3; and
- (3) to develop or consider offers or counteroffers for the purchase or sale of real or personal property.

Before holding a closed meeting under this paragraph, the public body must identify on the record the particular real or personal property that is the subject of the closed meeting. The proceedings of a meeting closed under this paragraph must be tape recorded at the expense of the public body. The recording must be preserved for eight years after the date of the meeting and made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the governing body has abandoned the purchase or sale. The real or personal property that is the subject of the closed meeting must be specifically identified on the tape. A list of members and all other persons present at the closed meeting must be made available to the public after the closed meeting. If an action is brought claiming that public business other than discussions allowed under this paragraph was transacted at a closed meeting held under this paragraph during the time when the tape is not available to the public, section 13D.03, subdivision 3, applies.

An agreement reached that is based on an offer considered at a closed meeting is contingent on approval of the public body at an open meeting. The actual purchase or sale must be approved at an open meeting after the notice period required by statute or the governing body's internal procedures, and the purchase price or sale price is public data.

(d) Meetings may be closed to receive security briefings and reports, to discuss issues related to security systems, to discuss emergency response procedures and to discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities, if disclosure of the information discussed would pose a danger to public safety or compromise security procedures or responses. Financial issues related to security matters must be discussed and all related financial decisions must be made at an open meeting. Before closing a meeting under this paragraph, the public body, in describing the subject to be discussed, must refer to the facilities, systems, procedures, services, or infrastructures to be considered during the closed meeting. A closed meeting must be tape recorded at the expense of the governing body, and the recording must be preserved for at least four years.

Sec. 10. Minnesota Statutes 2008, section 16B.97, is amended by adding a subdivision to read:

Subd. 5. **Data classification.** Data maintained by the commissioner that identify a person providing comments to the commissioner under subdivision 4, paragraph (a), clauses (6) and (7), are private and nonpublic data but may be shared with the executive agency that is the subject of the comments.

Sec. 11. Minnesota Statutes 2008, section 125A.21, subdivision 5, is amended to read:

Subd. 5. **Informed consent.** When obtaining informed consent, consistent with sections 13.05, subdivision 4, ~~paragraph (d) 4a;~~ and 256B.77, subdivision 2, paragraph (p), to bill health plans for covered services, the school district must notify the legal representative (1) that the cost of the person's private health insurance premium may increase due to providing the covered service in the school setting, (2) that the school district may pay certain enrollee health plan costs, including but not limited to, co-payments, coinsurance, deductibles, premium increases or other enrollee cost-sharing amounts for health and related services required by an individual service plan, or individual family service plan, and (3) that the school's billing for each type of covered service may affect service limits and prior authorization thresholds. The informed consent may be revoked in writing at any time by the person authorizing the billing of the health plan.

Sec. 12. **REPEALER.**

(a) Minnesota Statutes 2008, section 13.06, subdivision 2, is repealed.

(b) Minnesota Rules, part 1205.1800, is repealed.

ARTICLE 2

TEMPORARY CLASSIFICATIONS

Section 1. Minnesota Statutes 2008, section 13.06, subdivision 1, is amended to read:

Subdivision 1. **Application to commissioner.** (a) Notwithstanding the provisions of section 13.03, the responsible authority of a government entity may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as nonpublic or protected nonpublic, for its own use and for the use of other similar government entities on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

(b) Upon the filing receipt by the commissioner of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, rejected, or granted by the commissioner, whichever is earlier.

(c) If the commissioner determines that an application has been submitted for purposes not consistent with this section, the commissioner may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner.

Sec. 2. Minnesota Statutes 2008, section 13.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application for nonpublic or nonpublic protected data.** An application for temporary classification of government data ~~not on individuals~~ shall include and the applicant shall have the burden of clearly establishing that no statute currently exists which either allows or forbids classification as ~~nonpublic or protected nonpublic~~ not public; and either one or more of the following:

(1) that data similar to that for which the temporary classification is sought ~~has have been treated~~ classified as nonpublic or protected nonpublic not public by other government entities, ~~and by the public~~; or

(2) public access to the data would render unworkable a program authorized by law; ~~or~~.

~~(3) The applicant must also clearly establish~~ that a compelling need exists for immediate temporary classification, which if not granted could adversely affect the health, safety or welfare of the public, or the data subject's well-being or reputation.

Sec. 3. Minnesota Statutes 2008, section 13.06, subdivision 4, is amended to read:

Subd. 4. **Procedure when classification affects others.** If the commissioner determines that an application for temporary classification involves data which would reasonably be classified in the same manner by all government entities similar to the one which made the application, the commissioner may approve or disapprove the classification for data of the kind which is the subject of the application for the use of all government entities similar to the applicant. If requested in the application, the commissioner may also determine that the data classification affects similar government entities. On deeming this approach advisable, the commissioner shall provide notice of the proposed action by publication in the State Register within ~~ten~~ 15 days of receiving the application. Within 30 days after publication in the State Register an affected government entity or the public may submit comments on the ~~commissioner's proposal~~ application. The commissioner shall consider any comments received when granting or denying a classification for data of the kind which is the subject of the application, for the use of all government entities similar to the applicant. Within 45 days after the close of the period for submitting comment, the commissioner shall grant or disapprove the application. Applications processed under this subdivision shall be either approved or disapproved by the commissioner within 90 days of the receipt of the application. For purposes of subdivision 1, the data which is the subject of the classification shall be deemed to be classified as set forth in the application for a period of 90 days, or until the application is disapproved or granted by the commissioner, whichever is earlier. ~~If requested in the application, or determined to be necessary by the commissioner, the data in the application shall be so classified for all government entities similar to the applicant until the application is disapproved or granted by the commissioner, whichever is earlier.~~ Proceedings after the grant or disapproval shall be governed by the provisions of subdivision 5.

Sec. 4. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 4a. **Withdrawal of application.** Except when an application is processed under subdivision 4, an application may be withdrawn by the responsible authority prior to the commissioner granting or disapproving the temporary classification. The responsible authority shall notify the commissioner in writing of the entity's intent to withdraw the application. The written withdrawal must state the reason the temporary classification is no longer necessary and must be signed by the responsible authority.

Sec. 5. Minnesota Statutes 2008, section 13.06, subdivision 5, is amended to read:

Subd. 5. **Determination.** (a) The commissioner shall either grant or disapprove the application for temporary classification within 45 days after it is ~~filed~~ received by the commissioner. On disapproving an application, the commissioner shall set forth in detail reasons for the disapproval, and shall include a statement of belief as to what classification is appropriate for the data which is the subject of the application. Twenty days after the date ~~of the~~ responsible authority receives the commissioner's disapproval of an application, the data which is the subject of the application shall become public data, unless the responsible authority submits an amended application for temporary classification which requests the classification deemed appropriate by the commissioner in the statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 20 days or until the amended application is granted

or disapproved by the commissioner, whichever is earlier. The commissioner shall either grant or disapprove the amended application within 20 days after it is filed. Five working days after the date ~~of the responsible authority receives~~ the commissioner's disapproval of the amended application, the data which is the subject of the application shall become public data. No more than one amended application may be submitted for any single file or system.

(b) If the commissioner grants an application for temporary classification under this section, it shall become effective immediately, and the complete record relating to the application shall be submitted to the attorney general, who shall review the classification as to form and legality. Within 25 days after receipt of the record, the attorney general shall approve the classification, disapprove a classification as confidential or protected nonpublic but approve a classification as private or nonpublic, or disapprove the classification. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data five working days after the date of the attorney general's disapproval.

Sec. 6. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 6a. **Data use and dissemination.** During the period of the temporary classification, a responsible authority may request approval from the commissioner for a new or different use or dissemination of the data as provided in section 13.05, subdivision 4, for any data temporarily classified under this section.

Sec. 7. Minnesota Statutes 2008, section 13.06, subdivision 7, is amended to read:

Subd. 7. **Legislative consideration of temporary classifications; expiration.** On or before January 15 of each year, the commissioner shall submit all temporary classifications in effect on January 1 in bill form to the legislature. The temporary classification expires ~~June~~ August 1 of the year ~~following its submission~~ it is submitted to the legislature."

Delete the title and insert:

"A bill for an act relating to data practices; classifying government data; requiring informed consent; amending definitions; allowing disclosure of certain data; authorizing access to certain records; making technical changes; modifying provisions governing temporary classifications and personnel data; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2; 13.44, subdivision 3; 13.792; 13.87, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; Minnesota Statutes 2009 Supplement, section 13.64; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800."

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:

S. F. No. 2572, A bill for an act relating to transportation; clarifying time for providing notice of vehicle impoundment; amending Minnesota Statutes 2008, section 168B.06, subdivision 1.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 890, 891, 1000, 1680, 2360, 2450, 2561, 2575, 2709, 2761, 2766, 2786, 2810, 2837, 2851, 2881, 2899, 2907, 2938, 2949, 2995, 3023, 3052, 3059, 3086, 3096, 3130, 3133, 3146, 3147, 3152, 3157, 3164, 3212, 3213, 3221, 3263, 3286, 3292, 3312, 3335, 3391, 3405, 3420, 3460, 3468, 3473, 3494, 3499, 3508, 3541 and 3565 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 863 and 2572 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Westrom, Champion, Olin, Kelly, Drazkowski and Scott introduced:

H. F. No. 3652, A bill for an act relating to conciliation court; increasing the limit for claims that may be filed; amending Minnesota Statutes 2008, section 491A.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Civil Justice.

Severson introduced:

H. F. No. 3653, A bill for an act relating to marriage; authorizing use of an embossed seal in lieu of notarization on certain statements; amending Minnesota Statutes 2009 Supplement, section 517.08, subdivision 1b.

The bill was read for the first time and referred to the Committee on Civil Justice.

Sterner introduced:

H. F. No. 3654, A bill for an act relating to traffic regulations; regulating the admissibility of seat belt use evidence in certain civil actions; repealing Minnesota Statutes 2008, section 169.685, subdivision 4.

The bill was read for the first time and referred to the Committee on Civil Justice.

Severson, Eastlund and Newton introduced:

H. F. No. 3655, A bill for an act relating to veterans; establishing a presumption of rehabilitation through a person's honorable military service following a prior offense; amending Minnesota Statutes 2008, section 364.03, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Beard, Dill, Severson and Lieder introduced:

H. F. No. 3656, A bill for an act relating to transportation; modifying certain aviation-related taxes; amending Minnesota Statutes 2008, sections 296A.09, subdivision 1; 296A.17, subdivision 3; 360.531, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on Finance.

Torkelson and Gunther introduced:

H. F. No. 3657, A bill for an act relating to human services; establishing a long-term care liaison office in the Department of Health; establishing duties; requiring state agency cooperation; appropriating money; amending Minnesota Statutes 2008, sections 16A.06, by adding a subdivision; 45.012; 174.23, by adding a subdivision; 175.17; 256.01, by adding a subdivision; 270C.02, by adding a subdivision; 299A.01, subdivision 2; 462A.07, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 116J.401, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Haws introduced:

H. F. No. 3658, A bill for an act relating to taxation; sales and use; exempting construction materials and equipment used in the construction and improvement of a regional wastewater treatment facility; amending Minnesota Statutes 2008, sections 297A.71, by adding a subdivision; 297A.75, subdivision 3; Minnesota Statutes 2009 Supplement, section 297A.75, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on Taxes.

Gottwalt, Abeler, Beard, Urdahl, Brod, Mack, Kelly and Torkelson introduced:

H. F. No. 3659, A bill for an act relating to health insurance; requiring guaranteed issue in the individual market; requiring MCHA to reinsure ceded risk on certain health plans; ending additional enrollment in MCHA; amending Minnesota Statutes 2008, sections 62A.65, subdivision 2, by adding a subdivision; 62E.10, subdivision 7; 62E.11, subdivision 1; 62E.14, subdivision 1; repealing Minnesota Statutes 2008, section 62A.65, subdivision 6.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Koenen introduced:

H. F. No. 3660, A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

The bill was read for the first time and referred to the Committee on Finance.

Hansen and Hornstein introduced:

H. F. No. 3661, A bill for an act relating to labor and industry; modifying the packinghouse workers bill of rights; amending Minnesota Statutes 2008, section 179.86.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Faust introduced:

H. F. No. 3662, A bill for an act relating to natural resources; providing for private use registration for snowmobiles; amending Minnesota Statutes 2008, section 84.82, subdivision 3, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Laine, Abeler, Hayden, Fritz, Swails, Thao, Davids, Gunther, Lillie, Hilstrom, Otremba, Brown and Morgan introduced:

H. F. No. 3663, A bill for an act relating to health; specifying certain aspects of prepaid health plan contracts entered into by the commissioner of human services or county-based purchasing plans; requiring use of certain accounting procedures; providing health care providers and others a right to audit under those contracts; providing for resolution of disputes; amending Minnesota Statutes 2008, section 256B.69, subdivisions 5i, 9, 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.

Brown introduced:

H. F. No. 3664, A bill for an act relating to education finance; replacing Minnesota's K-12 funding system with a foundation aid program; amending Minnesota Statutes 2008, sections 126C.05, subdivisions 1, 3, 5, 17, by adding subdivisions; 126C.17, subdivisions 1, 2; 126C.20; proposing coding for new law in Minnesota Statutes, chapter 126C; repealing Minnesota Statutes 2008, sections 125A.76, subdivisions 2, 4, 4a, 5, 7, 8; 125A.78; 125A.79, subdivisions 1, 4, 5, 6, 7, 8; 126C.12, subdivisions 1, 2, 3, 4, 5, 6; 126C.13, subdivisions 4, 5; 126C.15, subdivisions 1, 3, 5; 126C.16, subdivisions 1, 3; 126C.17, subdivision 3; Minnesota Statutes 2009 Supplement, sections 125A.76, subdivision 1; 126C.15, subdivisions 2, 4.

The bill was read for the first time and referred to the Committee on Finance.

Hoppe, Holberg, Rukavina, Hackbarth and Juhnke introduced:

H. F. No. 3665, A bill for an act relating to traffic regulations; amending requirements for travel in left-hand lanes; modifying driver's manual; making technical changes; appropriating money; amending Minnesota Statutes 2008, sections 169.18, subdivisions 7, 10, by adding a subdivision; 171.13, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 357.021, subdivision 6.

The bill was read for the first time and referred to the Committee on Finance.

Dill and Olin introduced:

H. F. No. 3666, A resolution urging Congress to adopt legislation delaying certain regulation of greenhouse gas emissions.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Hilty and Solberg introduced:

H. F. No. 3667, A bill for an act relating to energy; modifying programs for reducing emissions at electric generating plants; amending Minnesota Statutes 2008, sections 216B.1692, subdivision 8; 216B.685, subdivision 4.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Greiling introduced:

H. F. No. 3668, A bill for an act relating to elections; providing for "clean money" campaigns funded without special interest money; expanding certain definitions; requiring certain campaign finance reports to be filed and published electronically; requiring notice of independent expenditures; requiring reports of excess spending by candidates who do not agree to limit spending; reducing certain contribution limits and spending limits; limiting independent expenditures by political parties on behalf of their own candidates as a condition of receiving a public subsidy; imposing campaign contribution and spending limits on political party caucuses as a condition of receiving a public subsidy; limiting multicandidate expenditures by political parties; increasing public subsidies for candidates who agree to lower contribution limits; increasing spending limits and public subsidies to respond to independent expenditures and excess spending by nonparticipating candidates; repealing the income tax checkoff for election campaigns; increasing the maximum political contribution refund from \$50 to \$100; imposing criminal penalties; appropriating money; amending Minnesota Statutes 2008, sections 10A.01, subdivisions 9, 18, 21; 10A.02, subdivision 11a; 10A.14, subdivision 2; 10A.20, subdivisions 2, 6b, by adding subdivisions; 10A.25, subdivisions 1, 2, 2a, by adding subdivisions; 10A.257, subdivision 1; 10A.27, subdivisions 1, 11, by adding subdivisions; 10A.275, subdivision 1; 10A.28, subdivisions 1, 2; 10A.315; 10A.322; 200.02, by adding a subdivision; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2008, sections 10A.25, subdivision 6; 10A.31, subdivisions 1, 3, 3a, 5, 5a, 6, 6a, 7, 10, 10a, 10b, 11; Minnesota Statutes 2009 Supplement, section 10A.31, subdivision 4.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Sterner introduced:

H. F. No. 3669, A bill for an act relating to open meetings; requiring open meetings to be recorded and made available to the general public; proposing coding for new law in Minnesota Statutes, chapter 13D.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Nornes introduced:

H. F. No. 3670, A bill for an act relating to early childhood; providing funding for early childhood education; appropriating money; amending Laws 2009, chapter 96, article 6, section 11.

The bill was read for the first time and referred to the Committee on Finance.

Westrom introduced:

H. F. No. 3671, A bill for an act relating to taxation; property tax refunds for renters; modifying the schedule, reducing the percentage of rent constituting property taxes, and ending the inflation adjustment of the brackets and maximum refund amounts; amending Minnesota Statutes 2008, sections 290A.03, subdivisions 11, 13; 290A.04, subdivisions 2a, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Westrom introduced:

H. F. No. 3672, A bill for an act relating to taxation; property tax refunds for renters; modifying the schedule, reducing the percentage of rent constituting property taxes, and ending the inflation adjustment of the brackets and maximum refund amounts; amending Minnesota Statutes 2008, sections 290A.03, subdivisions 11, 13; 290A.04, subdivisions 2a, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Ruud introduced:

H. F. No. 3673, A bill for an act relating to mental health; authorizing placement at a community behavioral health hospital; amending Minnesota Statutes 2008, section 253B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Ward introduced:

H. F. No. 3674, A bill for an act relating to education finance; providing funding for the Northwestern Online College in the high school program.

The bill was read for the first time and referred to the Committee on Finance.

Ward introduced:

H. F. No. 3675, A bill for an act relating to education finance; adjusting the career and technical levy formula; amending Minnesota Statutes 2008, section 124D.4531, subdivision 1.

The bill was read for the first time and referred to the Committee on Finance.

Lesch introduced:

H. F. No. 3676, A bill for an act relating to public safety; reducing number of years of relevant military experience required for eligibility for reciprocity examination for licensure as a peace officer; amending Minnesota Statutes 2009 Supplement, section 626.8517.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Pelowski, Buesgens, Zellers, Urdahl and Severson introduced:

H. F. No. 3677, A bill for an act relating to education; prohibiting participation in Race to the Top grant program.

The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight.

Clark, Hayden, Champion, Hausman and Bunn introduced:

H. F. No. 3678, A bill for an act relating to housing; authorizing the sale and issuance of challenge program bonds for affordable housing and permanent supportive housing purposes; amending Minnesota Statutes 2008, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Finance.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2700, A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; cancelling and modifying previous appropriations; appropriating money; amending Minnesota Statutes 2008, sections 16A.105; 16A.501; 16A.66, subdivision 2; 103F.161, subdivisions 1, 3; 103F.515, by adding a subdivision; 116J.435, as amended; 174.50, subdivisions 6, 7; 256E.37, subdivisions 1, 2; Minnesota Statutes 2009 Supplement, sections 16A.647, subdivisions 1, 5; 16A.86, subdivision 3a; Laws 2005, chapter 20, article 1, sections 19, subdivision 4; 23, subdivision 12, as amended; Laws 2006, chapter 258, sections 5, subdivision 3; 8, subdivision 4; 17, subdivision 5; 21, subdivision 14, as amended; Laws 2008, chapter 152, article 2, section 3, subdivision 2; Laws 2008, chapter 179, sections 5, subdivision 4; 7, subdivisions 8, 27; 21, subdivision 9; Laws 2008, chapter 365, sections 4, subdivision 3; 5, subdivision 2; 24, subdivision 2; 25; Laws 2009, chapter 93, article 1, sections 11, subdivision 5; 20; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; repealing Laws 2009, chapter 93, article 1, section 45.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2856, A bill for an act relating to commerce; making changes in required continuing education of real estate brokers and salespersons; amending Minnesota Statutes 2008, sections 82.29, subdivision 4; 82.33, subdivision 4; Minnesota Statutes 2009 Supplement, section 82.32.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 568, 2372, 2439, 2183, 2602 and 2743.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 568, A bill for an act relating to civil law; extending civil immunity to municipalities that donate public safety equipment; amending Minnesota Statutes 2008, section 466.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Civil Justice.

S. F. No. 2372, A bill for an act relating to veterans; clarifying the role of the commissioner and Department of Veterans Affairs in providing certain resources for the county veterans service offices; amending Minnesota Statutes 2008, sections 197.60, subdivision 1; 197.601; 197.605; 197.606; 197.609, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on Finance.

S. F. No. 2439, A bill for an act relating to commerce; prohibiting the use of live check solicitations; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time.

Falk moved that S. F. No. 2439 and H. F. No. 2599, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2183, A bill for an act relating to highways; designating the Corporal Johnathan Benson Memorial Highway in the city of North Branch; amending Minnesota Statutes 2008, section 161.14, by adding a subdivision.

The bill was read for the first time.

Kalin moved that S. F. No. 2183 and H. F. No. 2575, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2602, A bill for an act relating to eminent domain; providing for discharge of a portion of an easement acquired by condemnation; amending Minnesota Statutes 2008, section 117.225.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

S. F. No. 2743, A bill for an act relating to health; modifying a hospital construction moratorium; amending Minnesota Statutes 2009 Supplement, section 144.551, subdivision 1.

The bill was read for the first time.

Swails moved that S. F. No. 2743 and H. F. No. 3116, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

FISCAL CALENDAR

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 2624.

H. F. No. 2624 was reported to the House.

The Speaker called Hortman to the Chair.

McNamara moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 10, line 30, delete "3,455,000" and insert "3,155,000"

Page 13, delete lines 4 to 15

Page 13, line 16, delete "(i)" and insert "(h)"

Page 13, line 29, delete "1,470,000" and insert "2,459,000"

Page 14, after line 35, insert:

"(e) \$989,000 is from the trust fund to the commissioner of natural resources, under Minnesota Statutes, section 88.82, for grants to communities to provide funding for no-interest loans to private land owners for the removal of emerald ash borer infested ash trees on private lands. Grants made to communities will be available for ten years, at the end of the ten year grant period the full grant amount will be canceled for redeposit in the trust fund. This appropriation cancels on June 30, 2012."

Page 15, line 1, delete "3,364,000" and insert "3,143,000"

Page 15, delete lines 12 to 23

Page 15, line 24, delete "(c)" and insert "(b)"

Page 16, line 1, delete "(d)" and insert "(c)"

Page 16, line 19, delete "(e)" and insert "(d)"

Page 16, line 26, delete "2,640,000" and insert "2,172,000"

Page 17, delete lines 3 to 15

Page 17, line 16, delete "(c)" and insert "(b)"

Page 17, line 24, delete "(d)" and insert "(c)"

Page 17, delete line 34

Page 18, delete lines 1 to 11

Page 18, line 12, delete "(f)" and insert "(d)"

Page 18, line 19, delete "(g)" and insert "(e)"

Page 18, line 28, delete "(h)" and insert "(f)"

Page 18, line 34, delete "(i)" and insert "(g)"

Page 19, line 15, delete "(j)" and insert "(h)"

Page 19, line 24, delete "(k)" and insert "(i)"

A roll call was requested and properly seconded.

The question was taken on the McNamara amendment and the roll was called.

Pursuant to Rule 2.05, Holberg and Knuth were excused from voting on the McNamara amendment to H. F. No. 2624, the first engrossment.

There were 47 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kelly	McNamara	Scott
Anderson, B.	Demmer	Gottwalt	Kiffmeyer	Murdock	Seifert
Anderson, P.	Dettmer	Gunther	Koenen	Nornes	Severson
Anderson, S.	Doepke	Hackbarth	Kohls	Olin	Shimanski
Beard	Downey	Hamilton	Lanning	Otremba	Torkelson
Brod	Drazkowski	Hoppe	Mack	Peppin	Urdahl
Buesgens	Eastlund	Howes	Magnus	Rukavina	Westrom
Davids	Eken	Juhnke	McFarlane	Sanders	

Those who voted in the negative were:

Anzelc	Doty	Hosch	Loon	Paymar	Smith
Atkins	Emmer	Huntley	Mahoney	Pelowski	Solberg
Benson	Faust	Jackson	Mariani	Persell	Sterner
Bigham	Fritz	Johnson	Marquart	Peterson	Swails
Bly	Gardner	Kahn	Masin	Poppe	Thao
Brown	Greiling	Kalin	Morgan	Reinert	Thissen
Brynaert	Hansen	Kath	Morrow	Rosenthal	Tillberry
Bunn	Hausman	Laine	Mullery	Ruud	Wagenius
Carlson	Haws	Lenczewski	Murphy, E.	Sailer	Ward
Champion	Hayden	Lesch	Murphy, M.	Scalze	Welti
Clark	Hilstrom	Liebling	Nelson	Sertich	Winkler
Cornish	Hilty	Lieder	Newton	Simon	Zellers
Davnie	Hornstein	Lillie	Norton	Slawik	Spk. Kelliher
Dittrich	Hortman	Loeffler	Obermueller	Slocum	

The motion did not prevail and the amendment was not adopted.

Seifert moved to amend H. F. No. 2624, the first engrossment, as follows:

Pages 2 to 26, delete subdivisions 3 to 16 and insert:

"Subd. 3. **Department of Natural Resources** 418,000 25,611,000

Notwithstanding Minnesota Statutes, section 116P.03, or any law to the contrary, \$418,000 the first year and \$25,611,000 the second year are from the trust fund to the commissioner of natural resources to supplant dollars that would otherwise be spent on protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. The department's appropriation is reduced on a dollar-for-dollar basis by the amount of the dollars from the trust fund that supplant them, with the reduced appropriations deposited in the general fund."

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 Seifert amendment and the roll was called. There were 47 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Dauids	Dettmer	Drazkowski	Gottwalt
Anderson, P.	Brod	Dean	Doepke	Eastlund	Gunther
Anderson, S.	Buesgens	Demmer	Downey	Garofalo	Hackbarth

Hamilton	Kiffmeyer	Magnus	Obermueller	Seifert	Torkelson
Hoppe	Kohls	McFarlane	Otremba	Severson	Urdahl
Howes	Lanning	McNamara	Peppin	Shimanski	Westrom
Kath	Loon	Murdock	Sanders	Smith	Zellers
Kelly	Mack	Nornes	Scott	Sterner	

Those who voted in the negative were:

Abeler	Doty	Hortman	Lillie	Paymar	Solberg
Anzelc	Eken	Hosch	Loeffler	Pelowski	Swails
Atkins	Emmer	Huntley	Mahoney	Persell	Thao
Benson	Faust	Jackson	Mariani	Peterson	Thissen
Bigham	Fritz	Johnson	Marquart	Poppe	Tillberry
Bly	Gardner	Juhnke	Masin	Reinert	Wagenius
Brown	Greiling	Kahn	Morgan	Rosenthal	Ward
Brynaert	Hansen	Kalin	Morrow	Rukavina	Welti
Bunn	Hausman	Knuth	Mullery	Ruud	Winkler
Carlson	Haws	Koenen	Murphy, E.	Sailer	Spk. Kelliher
Champion	Hayden	Laine	Murphy, M.	Scalze	
Clark	Hilstrom	Lenczewski	Nelson	Sertich	
Cornish	Hilty	Lesch	Newton	Simon	
Davnie	Holberg	Liebling	Norton	Slawik	
Dittrich	Hornstein	Lieder	Olin	Slocum	

The motion did not prevail and the amendment was not adopted.

Westrom, Torkelson, Dean, Hamilton and Kelly offered an amendment to H. F. No. 2624, the first engrossment.

POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Westrom et al amendment was not in order. Speaker pro tempore Hortman ruled the point of order well taken and the Westrom et al amendment out of order.

Westrom appealed the decision of Speaker pro tempore Hortman.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Hortman stand as the judgment of the House?" and the roll was called. There were 83 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anzelc	Brynaert	Dittrich	Greiling	Hilty	Johnson
Atkins	Bunn	Doepke	Hansen	Hornstein	Juhnke
Benson	Carlson	Doty	Hausman	Hortman	Kahn
Bigham	Champion	Eken	Haws	Hosch	Kalin
Bly	Clark	Faust	Hayden	Huntley	Knuth
Brown	Davnie	Gardner	Hilstrom	Jackson	Koenen

Laine	Mariani	Nelson	Peterson	Sertich	Thissen
Lenczewski	Marquart	Newton	Poppe	Simon	Tillberry
Lesch	Masin	Norton	Reinert	Slawik	Wagenius
Liebling	Morgan	Obermueller	Rosenthal	Slocum	Ward
Lieder	Morrow	Olin	Rukavina	Solberg	Welti
Lillie	Mullery	Paymar	Ruud	Sterner	Winkler
Loeffler	Murphy, E.	Pelowski	Sailer	Swails	Spk. Kelliher
Mahoney	Murphy, M.	Persell	Scalze	Thao	

Those who voted in the negative were:

Abeler	Dean	Gottwalt	Kiffmeyer	Nornes	Torkelson
Anderson, B.	Demmer	Gunther	Kohls	Otremba	Urdahl
Anderson, P.	Dettmer	Hackbarth	Lanning	Peppin	Westrom
Anderson, S.	Downey	Hamilton	Loon	Sanders	Zellers
Beard	Drazkowski	Holberg	Mack	Scott	
Brod	Eastlund	Hoppe	Magnus	Seifert	
Buesgens	Emmer	Howes	McFarlane	Severson	
Cornish	Fritz	Kath	McNamara	Shimanski	
Davids	Garofalo	Kelly	Murdock	Smith	

So it was the judgment of the House that the decision of Speaker pro tempore Hortman should stand.

Drazkowski moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 5, line 30, delete "\$9,762,000" and insert "\$5,812,000"

Page 6, delete lines 7 to 36

Page 7, delete lines 1 to 5

Page 7, line 6, delete "(d)" and insert "(b)"

Page 7, line 17, delete "(e)" and insert "(c)"

Page 8, line 30, delete "(f)" and insert "(d)"

Page 10, line 4, delete "(g)" and insert "(e)"

Page 10, line 17, delete "(h)" and insert "(f)"

Page 10, line 30, delete "\$3,455,000" and insert "\$7,405,000"

Page 13, after line 27, insert:

"(j) \$3,950,000 is from the trust fund to the Board of Water and Soil Resources for feedlot water quality grants for feedlots under 300 animal units where there are impaired waters."

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 51 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Gottwalt	Kiffmeyer	Obermueller	Smith
Anderson, P.	Dettmer	Gunther	Koenen	Olin	Torkelson
Anderson, S.	Doty	Hackbarth	Kohls	Otremba	Urdahl
Beard	Downey	Hamilton	Lanning	Peppin	Welti
Brod	Drazkowski	Holberg	Mack	Sanders	Westrom
Brown	Eastlund	Hoppe	Magnus	Scott	Zellers
Buesgens	Emmer	Howes	McFarlane	Seifert	
Davids	Faust	Juhnke	Murdock	Severson	
Dean	Garofalo	Kelly	Nornes	Shimanski	

Those who voted in the negative were:

Abeler	Doepke	Huntley	Loon	Paymar	Slocum
Anzelc	Eken	Jackson	Mahoney	Pelowski	Solberg
Atkins	Fritz	Johnson	Mariani	Persell	Sterner
Benson	Gardner	Kahn	Marquart	Peterson	Swails
Bigham	Greiling	Kalin	Masin	Poppe	Thao
Bly	Hansen	Kath	McNamara	Reinert	Thissen
Brynaert	Hausman	Knuth	Morgan	Rosenthal	Tillberry
Bunn	Haws	Laine	Morrow	Rukavina	Wagenius
Carlson	Hayden	Lenczewski	Mullery	Ruud	Ward
Champion	Hilstrom	Lesch	Murphy, E.	Sailer	Winkler
Clark	Hilty	Liebling	Murphy, M.	Scalze	Spk. Kelliher
Cornish	Hornstein	Lieder	Nelson	Sertich	
Davnie	Hortman	Lillie	Newton	Simon	
Dittrich	Hosch	Loeffler	Norton	Slawik	

The motion did not prevail and the amendment was not adopted.

Dean was excused between the hours of 2:40 p.m. and 4:05 p.m.

Hoppe moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 7, delete lines 6 to 16 and insert:

"(d) \$1,800,000 is from the trust fund to the Board of Water and Soil Resources for permanent easements to protect the migratory bird corridor along the Mississippi River around Camp Ripley in partnership with the Department of Defense Army Compatible Use Buffer Program. Any unexpended funds may be used to acquire conservation easements under Minnesota Statutes, section 103F.515."

A roll call was requested and properly seconded.

The question was taken on the Hoppe amendment and the roll was called. There were 51 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Gottwalt	Kohls	Obermueller	Sterner
Anderson, B.	Dettmer	Gunther	Lanning	Olin	Torkelson
Anderson, P.	Doepke	Hackbarth	Loon	Peppin	Urdahl
Anderson, S.	Doty	Hamilton	Mack	Sanders	Welti
Beard	Downey	Holberg	Magnus	Scott	Westrom
Brod	Drazkowski	Hoppe	McFarlane	Seifert	Zellers
Buesgens	Eastlund	Howes	McNamara	Severson	
Bunn	Emmer	Kelly	Murdock	Shimanski	
Davids	Garofalo	Kiffmeyer	Nornes	Smith	

Those who voted in the negative were:

Anzenc	Faust	Jackson	Loeffler	Paymar	Slocum
Atkins	Fritz	Johnson	Mahoney	Pelowski	Solberg
Benson	Gardner	Juhnke	Mariani	Persell	Swails
Bigham	Greiling	Kahn	Marquart	Peterson	Thao
Bly	Hansen	Kalin	Masin	Poppe	Thissen
Brown	Hausman	Kath	Morgan	Reinert	Tillberry
Brynaert	Haws	Knuth	Morrow	Rosenthal	Wagenius
Carlson	Hayden	Koenen	Mullery	Rukavina	Ward
Champion	Hilstrom	Laine	Murphy, E.	Ruud	Winkler
Clark	Hilty	Lenczewski	Murphy, M.	Sailer	Spk. Kelliher
Cornish	Hornstein	Lesch	Nelson	Scalze	
Davnie	Hortman	Liebling	Newton	Sertich	
Dittrich	Hosch	Lieder	Norton	Simon	
Eken	Huntley	Lillie	Otremba	Slawik	

The motion did not prevail and the amendment was not adopted.

McNamara moved to amend H. F. No. 2624, the first engrossment, as follows:

Pages 2 to 26, delete subdivisions 3 to 16 and insert:

"Subd. 3. **Department of Natural Resources** 418,000 25,611,000

Notwithstanding Minnesota Statutes, section 116P.03, or any law to the contrary, \$418,000 the first year and \$25,611,000 the second year are for acquisition of conservation easements under Minnesota Statutes, section 103F.515."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the McNamara amendment and the roll was called.

Pursuant to Rule 2.05, Knuth was excused from voting on the McNamara amendment to H. F. No. 2624, the first engrossment.

There were 48 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Gottwalt	Kiffmeyer	Murdock	Severson
Anderson, P.	Doepke	Gunther	Kohls	Nornes	Shimanski
Anderson, S.	Downey	Hackbarth	Lanning	Obermueller	Smith
Beard	Drazkowski	Hamilton	Mack	Olin	Sterner
Brod	Eastlund	Holberg	Magnus	Peppin	Torkelson
Buesgens	Emmer	Hoppe	McFarlane	Sanders	Urdahl
Davids	Faust	Juhnke	McNamara	Scott	Westrom
Demmer	Garofalo	Kelly	Morrow	Seifert	Zellers

Those who voted in the negative were:

Abeler	Dittrich	Hosch	Lillie	Otremba	Slawik
Anzelc	Doty	Howes	Loeffler	Paymar	Slocum
Atkins	Eken	Huntley	Loon	Pelowski	Solberg
Benson	Fritz	Jackson	Mahoney	Persell	Swails
Bigham	Gardner	Johnson	Mariani	Peterson	Thao
Bly	Greiling	Kahn	Marquart	Poppe	Thissen
Brown	Hansen	Kalin	Masin	Reinert	Tillberry
Brynaert	Hausman	Kath	Morgan	Rosenthal	Wagenius
Bunn	Haws	Koenen	Mullery	Rukavina	Ward
Carlson	Hayden	Laine	Murphy, E.	Ruud	Welti
Champion	Hilstrom	Lenczewski	Murphy, M.	Sailer	Winkler
Clark	Hilty	Lesch	Nelson	Scalze	Spk. Kelliher
Cornish	Hornstein	Liebling	Newton	Sertich	
Davnie	Hortman	Lieder	Norton	Simon	

The motion did not prevail and the amendment was not adopted.

Drazkowski, Westrom, Eastlund and Dean moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 6, line 28, after the period, insert "Any lands acquired with money appropriated under this paragraph must be offset by the disposal of state land so that there is no net gain of state land holdings."

Page 7, line 5, after the period, insert "Any lands acquired with money appropriated under this paragraph must be offset by the disposal of state land so that there is no net gain of state land holdings."

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 Drazkowski et al amendment and the roll was called. There were 34 yeas and 96 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Davids	Emmer	Kelly	Peppin	Smith
Anderson, P.	Demmer	Garofalo	Kiffmeyer	Sanders	Torkelson
Anderson, S.	Dettmer	Gottwalt	Kohls	Scott	Westrom
Beard	Downey	Gunther	Mack	Seifert	Zellers
Brod	Drazkowski	Hackbarth	Magnus	Severson	
Buesgens	Eastlund	Hamilton	Nornes	Shimanski	

Those who voted in the negative were:

Abeler	Doty	Howes	Lillie	Newton	Sertich
Anzelc	Eken	Huntley	Loeffler	Norton	Simon
Atkins	Faust	Jackson	Loon	Obermueller	Slawik
Benson	Fritz	Johnson	Mahoney	Olin	Slocum
Bigham	Gardner	Juhnke	Mariani	Otremba	Solberg
Bly	Greiling	Kahn	Marquart	Paymar	Sterner
Brown	Hansen	Kalin	Masin	Pelowski	Swails
Brynaert	Hausman	Kath	McFarlane	Persell	Thao
Bunn	Haws	Knuth	McNamara	Peterson	Thissen
Carlson	Hayden	Koenen	Morgan	Poppe	Tillberry
Champion	Hilstrom	Laine	Morrow	Reinert	Urdahl
Clark	Hilty	Lanning	Mullery	Rosenthal	Wagenius
Cornish	Hoppe	Lenczewski	Murdock	Rukavina	Ward
Davnie	Hornstein	Lesch	Murphy, E.	Ruud	Welti
Dittrich	Hortman	Liebling	Murphy, M.	Sailer	Winkler
Doepke	Hosch	Lieder	Nelson	Scalze	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Anderson, S., moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 16, delete lines 1 to 18

Page 16, line 19, delete "(e)" and insert "(d)"

Adjust amounts 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 41 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Gottwalt	Kiffmeyer	Murdock	Shimanski
Anderson, P.	Doepke	Gunther	Kohls	Nornes	Smith
Anderson, S.	Downey	Hackbarth	Lanning	Peppin	Torkelson
Beard	Drazkowski	Hamilton	Mack	Sanders	Urdahl
Brod	Eastlund	Holberg	Magnus	Scott	Westrom
Buesgens	Emmer	Hoppe	McFarlane	Seifert	Zellers
Demmer	Garofalo	Kelly	McNamara	Severson	

Those who voted in the negative were:

Abeler	Dittrich	Hosch	Lieder	Norton	Sertich
Anzelc	Doty	Howes	Lillie	Obermueller	Simon
Atkins	Eken	Huntley	Loeffler	Olin	Slawik
Benson	Faust	Jackson	Loon	Otremba	Slocum
Bigham	Fritz	Johnson	Mahoney	Paymar	Solberg
Bly	Gardner	Juhnke	Mariani	Pelowski	Sterner
Brown	Greiling	Kahn	Marquart	Persell	Swails
Brynaert	Hansen	Kalin	Masin	Peterson	Thao
Bunn	Hausman	Kath	Morgan	Poppe	Thissen
Carlson	Haws	Knuth	Morrow	Reinert	Tillberry
Champion	Hayden	Koenen	Mullery	Rosenthal	Wagenius
Clark	Hilstrom	Laine	Murphy, E.	Rukavina	Ward
Cornish	Hilty	Lenczewski	Murphy, M.	Ruud	Welti
Davids	Hornstein	Lesch	Nelson	Sailer	Winkler
Davnie	Hortman	Liebling	Newton	Scalze	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

McNamara moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 1, line 20, delete "\$25,611,000" and insert "\$25,581,000"

Page 5, line 30, delete "\$9,762,000" and insert "\$9,732,000"

Page 5, line 33, delete "\$550,000" and insert "\$520,000"

Page 6, line 3, after the period, insert "Seed drills may be purchased with this appropriation only after significant efforts to obtain the seed drills through lease or rental have been made."

A roll call was requested and properly seconded.

The question was taken on the McNamara amendment and the roll was called. There were 62 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, S.	Buesgens	Demmer	Doty	Eastlund
Anderson, B.	Beard	Bunn	Dettmer	Downey	Eken
Anderson, P.	Brod	Davids	Doepke	Drazkowski	Emmer

Faust	Howes	Lesch	Murdock	Sanders	Torkelson
Garofalo	Juhnke	Loeffler	Nornes	Scott	Urdahl
Gottwalt	Kath	Loon	Obermueller	Seifert	Westrom
Gunther	Kelly	Mack	Olin	Severson	Zellers
Hackbarth	Kiffmeyer	Magnus	Otremba	Shimanski	
Hamilton	Koenen	McFarlane	Peppin	Smith	
Holberg	Kohls	McNamara	Reinert	Sterner	
Hoppe	Lanning	Morrow	Rosenthal	Thissen	

Those who voted in the negative were:

Anzelc	Dittrich	Hosch	Mahoney	Pelowski	Solberg
Atkins	Fritz	Huntley	Mariani	Persell	Swails
Benson	Gardner	Jackson	Marquart	Peterson	Thao
Bigham	Greiling	Johnson	Masin	Poppe	Tillberry
Bly	Hansen	Kahn	Morgan	Rukavina	Wagenius
Brown	Hausman	Kalin	Mullery	Ruud	Ward
Brynaert	Haws	Knuth	Murphy, E.	Sailer	Welti
Carlson	Hayden	Laine	Murphy, M.	Scalze	Winkler
Champion	Hilstrom	Lenczewski	Nelson	Sertich	Spk. Kelliher
Clark	Hilty	Liebling	Newton	Simon	
Cornish	Hornstein	Lieder	Norton	Slawik	
Davnie	Hortman	Lillie	Paymar	Slocum	

The motion did not prevail and the amendment was not adopted.

Rukavina moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 26, after line 6, insert:

"Subd. 17. **Land Acquisition.** In the next grant cycle the commission may not award grants to acquire any land in fee title."

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 Rukavina amendment and the roll was called. There were 63 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Benson	Doepke	Faust	Hansen	Kiffmeyer
Anderson, P.	Brod	Downey	Garofalo	Holberg	Koenen
Anderson, S.	Buesgens	Drazkowski	Gottwalt	Howes	Kohls
Anzelc	Dauids	Eastlund	Gunther	Juhnke	Lanning
Atkins	Demmer	Eken	Hackbarth	Kath	Loon
Beard	Dettmer	Emmer	Hamilton	Kelly	Mack

Magnus	Obermueller	Reinert	Seifert	Sterner	Westrom
McFarlane	Olin	Rosenthal	Severson	Thao	Zellers
Murdock	Otremba	Rukavina	Shimanski	Torkelson	
Newton	Peppin	Sanders	Slocum	Urdahl	
Nornes	Poppe	Scott	Smith	Ward	

Those who voted in the negative were:

Abeler	Doty	Hosch	Lillie	Nelson	Solberg
Bigham	Fritz	Huntley	Loeffler	Norton	Swails
Bly	Gardner	Jackson	Mahoney	Paymar	Thissen
Brown	Greiling	Johnson	Mariani	Pelowski	Tillberry
Brynaert	Hausman	Kahn	Marquart	Persell	Wagenius
Bunn	Haws	Kalin	Masin	Peterson	Welti
Carlson	Hayden	Knuth	McNamara	Ruud	Winkler
Champion	Hilstrom	Laine	Morgan	Sailer	Spk. Kelliher
Clark	Hilty	Lenczewski	Morrow	Scalze	
Cornish	Hoppe	Lesch	Mullery	Sertich	
Davnie	Hornstein	Liebling	Murphy, E.	Simon	
Dittrich	Hortman	Lieder	Murphy, M.	Slawik	

The motion did not prevail and the amendment was not adopted.

Rukavina moved to amend H. F. No. 2624, the first engrossment, as follows:

Page 6, line 10, delete "\$1,750,000" and insert "\$1,368,100"

Page 6, delete lines 29 to 36 and insert:

"(c) Park Improvement

\$4,202,400 is from the trust fund to the commissioner of natural resources for improving parks for the state's citizens, including, but not limited to, repairing and improving park buildings and park trails. The commissioner shall distribute this amount equally to the state parks. None of this amount shall be retained by the commissioner for administrative expenses."

Page 7, delete lines 1 to 5

Page 7, line 19, delete "\$1,400,000" and insert "\$1,044,500"

Page 7, line 23, delete "318,000" and insert "208,000"

Page 7, line 25, delete "1,082,000" and insert "836,500"

Page 7, line 28, delete "\$210,000" and insert "\$164,500"

Page 7, line 30, delete everything after the semicolon

Page 7, line 31, delete "Public Land;"

Page 7, delete line 34 and insert "to plan and restore"

Page 8, line 6, delete everything after the period

Page 8, delete lines 7 to 10

Page 8, line 16, delete everything after the period

Page 8, delete lines 17 to 21

Page 8, line 22, delete everything before "A"

Page 8, line 23, delete "and fee title"

Page 9, line 2, delete everything after the colon

Page 9, line 3, delete "the Trust for Public Land:"

Page 9, line 4, delete "\$350,000 with"

Page 9, delete line 5

Page 9, line 6, delete "Trust, Inc.:"

ReNUMBER the sections, subdivisions, and paragraphs in sequence and correct the internal references

Adjust amounts accordingly

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Dettmer and Drazkowski moved to amend H. F. No. 2624, the first engrossment, as amended, as follows:

Page 2, delete lines 29 to 35

Page 3, delete lines 1 and 2

Page 6, delete lines 29 to 36

Page 7, delete lines 1 to 16

Page 13, after line 27, insert:

"(j) **Conservation Plans.** \$5,100,000 is from the trust fund to the Board of Water and Soil Resources to provide assistance to farmers preparing conservation plans."

Reletter the paragraphs in sequence and correct the internal references

Adjust amounts accordingly

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dettmer and Drazkowski amendment and the roll was called. There were 53 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dauids	Faust	Jackson	Magnus	Severson
Anderson, P.	Demmer	Fritz	Juhnke	McFarlane	Shimanski
Anderson, S.	Dettmer	Garofalo	Kalin	McNamara	Smith
Beard	Doepke	Gottwalt	Kelly	Murdock	Torkelson
Bly	Doty	Gunther	Kiffmeyer	Nornes	Urdahl
Brod	Downey	Hackbarth	Kohls	Peppin	Walti
Brown	Drazkowski	Hamilton	Lanning	Sanders	Westrom
Buesgens	Eastlund	Holberg	Loon	Scott	Zellers
Cornish	Emmer	Hoppe	Mack	Seifert	

Those who voted in the negative were:

Abeler	Gardner	Johnson	Mariani	Otremba	Simon
Anzelc	Greiling	Kahn	Marquart	Paymar	Slawik
Atkins	Hansen	Kath	Masin	Pelowski	Slocum
Benson	Hausman	Knuth	Morgan	Persell	Solberg
Bigham	Haws	Koenen	Morrow	Peterson	Sterner
Brynaert	Hayden	Laine	Mullery	Poppe	Swails
Bunn	Hilstrom	Lenczewski	Murphy, E.	Reinert	Thao
Carlson	Hilty	Lesch	Murphy, M.	Rosenthal	Thissen
Champion	Hornstein	Liebling	Nelson	Rukavina	Tillberry
Clark	Hortman	Lieder	Newton	Ruud	Wagenius
Davnie	Hosch	Lillie	Norton	Sailer	Ward
Dittrich	Howes	Loeffler	Obermueller	Scalze	Winkler
Eken	Huntley	Mahoney	Olin	Sertich	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Hackbarth moved to amend H. F. No. 2624, the first engrossment, as amended, as follows:

Page 26, after line 6, insert:

"Sec. 3. Minnesota Statutes 2008, section 116P.08, subdivision 6, is amended to read:

Subd. 6. **Peer review.** (a) Research proposals must include a stated purpose directly connected to the trust fund's constitutional mandate, this chapter, and the adopted strategic plan under subdivision 3, a timeline, potential outcomes, and an explanation of the need for the research. All research proposals must be reviewed by a peer review panel before receiving an appropriation.

(b) In conducting research proposal reviews, the peer review panel shall:

(1) comment on the methodology proposed and whether it can be expected to yield appropriate and useful information and data;

(2) comment on the need for the research and about similar existing information available, if any; and

(3) report to the commission on clauses (1) and (2).

(c) The peer review panel also must review completed research proposals that have received an appropriation and comment and report upon whether the project reached the intended goals.

(d) Comments and reports made by the peer review panel on all proposals shall be public information and made available upon request or on the commission's Web site."

Amend the title accordingly

A roll call was requested and properly seconded.

Norton was excused for the remainder of today's session.

CALL OF THE HOUSE

On the motion of Hackbarth and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

Sertich moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Hackbarth amendment and the roll was called. There were 58 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, S.	Buesgens	Dean	Dittrich	Drazkowski
Anderson, B.	Beard	Cornish	Demmer	Doepke	Eastlund
Anderson, P.	Brod	Davids	Dettmer	Downey	Emmer

Faust	Haws	Kelly	McNamara	Sanders	Urdahl
Fritz	Holberg	Kiffmeyer	Morrow	Scott	Welti
Garofalo	Hoppe	Kohls	Murdock	Seifert	Westrom
Gottwalt	Hosch	Loon	Nornes	Severson	Winkler
Gunther	Howes	Mack	Olin	Shimanski	Zellers
Hackbarth	Juhnke	Magnus	Otremba	Smith	
Hamilton	Kath	McFarlane	Peppin	Torkelson	

Those who voted in the negative were:

Anzelc	Eken	Kahn	Mariani	Peterson	Sterner
Atkins	Gardner	Kalin	Marquart	Poppe	Swails
Benson	Greiling	Knuth	Masin	Reinert	Thao
Bigham	Hansen	Koenen	Morgan	Rosenthal	Thissen
Bly	Hausman	Laine	Mullery	Rukavina	Tillberry
Brown	Hayden	Lanning	Murphy, E.	Ruud	Wagenius
Brynaert	Hilstrom	Lenczewski	Murphy, M.	Sailer	Ward
Bunn	Hilty	Lesch	Nelson	Scalze	Spk. Kelliher
Carlson	Hornstein	Liebling	Newton	Sertich	
Champion	Hortman	Lieder	Obermueller	Simon	
Clark	Huntley	Lillie	Paymar	Slawik	
Davnie	Jackson	Loeffler	Pelowski	Slocum	
Doty	Johnson	Mahoney	Persell	Solberg	

The motion did not prevail and the amendment was not adopted.

H. F. No. 2624, A bill for an act relating to state government; appropriating money for environment and natural resources.

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.

Pursuant to Rule 2.05, Knuth was excused from voting on the final passage of H. F. No. 2624, the first engrossment, as amended.

Sertich moved that those not voting be excused from voting. The motion prevailed.

There were 91 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Abeler	Cornish	Haws	Kahn	Mahoney	Newton
Anzelc	Davnie	Hayden	Kalin	Mariani	Nornes
Atkins	Dittrich	Hilstrom	Kath	Marquart	Obermueller
Benson	Doty	Hilty	Koenen	Masin	Olin
Bigham	Eken	Hornstein	Laine	McFarlane	Otremba
Bly	Faust	Hortman	Lenczewski	McNamara	Paymar
Brown	Fritz	Hosch	Lesch	Morgan	Pelowski
Brynaert	Gardner	Howes	Liebling	Morrow	Persell
Bunn	Greiling	Huntley	Lieder	Mullery	Peterson
Carlson	Gunther	Jackson	Lillie	Murphy, E.	Poppe
Champion	Hansen	Johnson	Loeffler	Murphy, M.	Reinert
Clark	Hausman	Juhnke	Loon	Nelson	Rosenthal

Rukavina	Sertich	Solberg	Thissen	Welti
Ruud	Simon	Sterner	Tillberry	Winkler
Sailer	Slawik	Swails	Wagenius	Spk. Kelliher
Scalze	Slocum	Thao	Ward	

Those who voted in the negative were:

Anderson, B.	Dean	Emmer	Kelly	Peppin	Torkelson
Anderson, P.	Demmer	Garofalo	Kiffmeyer	Sanders	Urdahl
Anderson, S.	Dettmer	Gottwalt	Kohls	Scott	Westrom
Beard	Doepke	Hackbarth	Lanning	Seifert	Zellers
Brod	Downey	Hamilton	Mack	Severson	
Buesgens	Drazkowski	Holberg	Magnus	Shimanski	
Dauids	Eastlund	Hoppe	Murdock	Smith	

The bill was passed, as amended, and its title agreed to.

CALENDAR FOR THE DAY

Sertich moved that the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Brynaert moved that the name of Ward be added as an author on H. F. No. 245. The motion prevailed.

Murphy, E., moved that the name of Hosch be added as an author on H. F. No. 802. The motion prevailed.

Kahn moved that the name of Thissen be added as an author on H. F. No. 893. The motion prevailed.

Swails moved that the name of Kalin be added as an author on H. F. No. 1320. The motion prevailed.

Fritz moved that the name of Ward be added as an author on H. F. No. 1847. The motion prevailed.

Dean moved that the name of Bunn be added as an author on H. F. No. 2002. The motion prevailed.

Mullery moved that the name of Nelson be added as an author on H. F. No. 2668. The motion prevailed.

Torkelson moved that the name of Ward be added as an author on H. F. No. 2779. The motion prevailed.

Obermueller moved that the name of Hansen be added as an author on H. F. No. 2801. The motion prevailed.

Solberg moved that the name of Kiffmeyer be added as an author on H. F. No. 2876. The motion prevailed.

Clark moved that the name of Nelson be added as an author on H. F. No. 2985. The motion prevailed.

Gottwalt moved that the name of Bunn be added as an author on H. F. No. 3036. The motion prevailed.

Mahoney moved that the name of Urdahl be added as an author on H. F. No. 3157. The motion prevailed.

Olin moved that the name of Westrom be added as an author on H. F. No. 3158. The motion prevailed.

Fritz moved that her name be stricken as an author on H. F. No. 3210. The motion prevailed.

Swails moved that the name of Atkins be added as an author on H. F. No. 3386. The motion prevailed.

Ruud moved that the name of Slocum be added as an author on H. F. No. 3397. The motion prevailed.

Mariani moved that the names of Newton and Slocum be added as authors on H. F. No. 3404. The motion prevailed.

Slawik moved that the name of Tillberry be added as an author on H. F. No. 3470. The motion prevailed.

Nornes moved that the name of Tillberry be added as an author on H. F. No. 3471. The motion prevailed.

Urdahl moved that the names of Emmer and Scott be added as authors on H. F. No. 3474. The motion prevailed.

Benson moved that the name of Mack be added as an author on H. F. No. 3478. The motion prevailed.

Rosenthal moved that the name of Sterner be added as an author on H. F. No. 3479. The motion prevailed.

Wagenius moved that the name of Murphy, M., be added as an author on H. F. No. 3502. The motion prevailed.

Hansen moved that the names of Liebling and Hayden be added as authors on H. F. No. 3512. The motion prevailed.

Mariani moved that the name of Slocum be added as an author on H. F. No. 3541. The motion prevailed.

Mariani moved that the name of Slocum be added as an author on H. F. No. 3542. The motion prevailed.

Newton moved that the name of Sterner be added as an author on H. F. No. 3570. The motion prevailed.

Lieder moved that the name of Slocum be added as an author on H. F. No. 3576. The motion prevailed.

Sterner moved that the names of Slocum and Greiling be added as authors on H. F. No. 3584. The motion prevailed.

Persell moved that the name of Lenczewski be added as an author on H. F. No. 3601. The motion prevailed.

Eken moved that the names of Persell, Reinert and Slocum be added as authors on H. F. No. 3603. The motion prevailed.

Newton moved that the name of Dettmer be added as an author on H. F. No. 3620. The motion prevailed.

Sterner moved that the names of Hortman, Reinert and Greiling be added as authors on H. F. No. 3627. The motion prevailed.

Murphy, E., moved that the names of Ruud and Slocum be added as authors on H. F. No. 3630. The motion prevailed.

Jackson moved that the name of Kath be added as an author on H. F. No. 3634. The motion prevailed.

Loon moved that the name of Lenczewski be added as an author on H. F. No. 3638. The motion prevailed.

Eken moved that the names of Beard and Magnus be added as authors on H. F. No. 3640. The motion prevailed.

Mack moved that the name of Dettmer be added as an author on H. F. No. 3644. The motion prevailed.

Rosenthal moved that the name of Sterner be added as an author on H. F. No. 3650. The motion prevailed.

Welti moved that H. F. No. 2766, now on the General Register, be re-referred to the Committee on Civil Justice. The motion prevailed.

Pelowski moved that H. F. No. 2899, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

Welti moved that H. F. No. 2920 be recalled from the Committee on Commerce and Labor and be re-referred to the Committee on Civil Justice. The motion prevailed.

Marquart moved that H. F. No. 3085 be recalled from the Committee on Taxes and be re-referred to the Committee on Civil Justice. The motion prevailed.

Morrow moved that H. F. No. 3117 be recalled from the Committee on Commerce and Labor and be re-referred to the Committee on Civil Justice. The motion prevailed.

Mullery moved that H. F. No. 3137 be recalled from the Committee on Public Safety Policy and Oversight and be re-referred to the Committee on Civil Justice. The motion prevailed.

Jackson moved that H. F. No. 3147, now on the General Register, be re-referred to the Committee on Civil Justice. The motion prevailed.

Swails moved that H. F. No. 3386 be recalled from the Committee on Commerce and Labor and be re-referred to the Committee on Civil Justice. The motion prevailed.

Swails moved that H. F. No. 3506 be recalled from the Transportation and Transit Policy and Oversight Division and be re-referred to the Committee on Civil Justice. The motion prevailed.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 12:30 p.m., Wednesday, March 17, 2010. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and Speaker pro tempore Hortman declared the House stands adjourned until 12:30 p.m., Wednesday, March 17, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

