

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2010

SEVENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 18, 2010

The House of Representatives convened at 10:30 a.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Lisa Friedman, Unitarian Universalist of Mankato, Mankato, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

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

Lenczewski was excused between the hours of 11:00 a.m. and 12:20 p.m.

REPORTS OF CHIEF CLERK

S. F. No. 2494 and H. F. No. 3084, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dittrich moved that S. F. No. 2494 be substituted for H. F. No. 3084 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2946 and H. F. No. 3321, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Lesch moved that S. F. No. 2946 be substituted for H. F. No. 3321 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3167 and H. F. No. 3468, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Poppe moved that S. F. No. 3167 be substituted for H. F. No. 3468 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 353, A resolution relating to Lake of the Woods.

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

The report was adopted.

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

H. F. No. 677, A bill for an act relating to health occupations; establishing a regulation system for technicians performing body art procedures and for body art establishments; adopting penalty fees; amending Minnesota Statutes 2008, sections 325F.814, subdivision 1; 609.2246, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 146B.

Reported the same back with the following amendments:

Page 1, delete subdivision 4, and insert:

"Subd. 4. **Body art.** "Body art" or "body art procedures" means physical body adornment using, but not limited to, tattooing and body piercing. Body art does not include practices and procedures that are performed by a licensed medical or dental professional if the procedure is within the professional's scope of practice."

Page 2, line 3, after the period, insert "Body piercing also includes branding, scarification, suspension, subdermal implantation, microdermal, and tongue bifurcation."

Page 2, line 22, after "with" insert "potable"

Page 2, line 23, delete "solely"

Page 2, line 27, delete "personal" and delete "newly"

Page 3, line 9, delete "solely"

Page 3, line 28, before "razors" insert "disposable"

Page 3, line 34, after "the" insert "physical"

Page 4, line 5, after the period, insert "Tattooing also includes micropigmentation and cosmetic tattooing."

Page 4, delete subdivision 32 and insert:

"Subd. 32. **Technician.** "Technician" or "body art technician" means any individual who is licensed under this chapter as a tattoo technician or as a body piercing technician or as both."

Page 4, delete subdivision 34

Page 4, line 13, delete "35" and insert "34"

Page 4, line 24, delete "name of the owner and operator" and insert "name(s) of the owner(s) and operator(s)"

Page 4, line 33, delete everything after "(a)" and insert "The commissioner shall issue a provisional establishment license effective until the commissioner determines after inspection that the applicant has met the requirements of this chapter. Upon approval, the commissioner shall issue a license effective for three years."

Page 4, delete lines 34 and 35

Page 5, delete lines 1 and 2

Page 5, line 16, delete "two" and insert "three"

Page 5, delete subdivision 7 and insert:

"Subd. 7. **Establishments located in a private residence.** If the body art establishment is located within a private residence, the space where the body art procedures are performed must:

(1) be completely partitioned off;

(2) be exclusively used for body art procedures;

(3) be separate from the residential living, eating, and bathroom areas;

(4) have an entrance separate from the entrance to the residential area;

(5) meet the standards of this chapter; and

(6) be made available for inspection upon the request of the commissioner."

Page 6, line 7, delete "renewed" and insert "extended"

Page 6, delete lines 15 and 16

Page 6, line 17, delete "(c)" and insert "(b)"

Page 6, delete subdivisions 1 and 2 and insert:

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

(b) Effective January 1, 2011, no individual may perform body piercing unless the individual holds a valid body piercing technician license issued by the commissioner under this chapter, except as provided in subdivision 3.

(c) If an individual performs both tattooing and body piercing, the individual must hold a valid dual body art technician license.

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

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

(c) Any representation made to the public by a licensed technician must specify the types of body art procedures the technician is licensed to perform."

Page 7, after line 7, insert:

"(2) the type of license the applicant is applying for:"

Page 7, line 8, delete "(2)" and insert "(3)"

Page 7, line 9, delete "(3)" and insert "(4)" and after "experience" insert "within the area for which the applicant is seeking a license, and must include an affidavit from the supervising licensed technician"

Page 7, line 10, delete "(4)" and insert "(5)"

Page 7, line 12, delete "cardiopulmonary resuscitation (CPR), first aid,"

Page 7, line 18, delete "(5)" and insert "(6)"

Page 7, delete subdivision 5 and insert:

"Subd. 5. **Action on licensure applications.** (a) The commissioner shall notify the applicant in writing of the action taken on the application. If the application is approved, the commissioner shall issue a tattoo technician license, a body piercing technician license, or a dual body art technician license.

(b) If licensure is denied, the applicant must be notified of the determination and the grounds for it, and the applicant may request a hearing under chapter 14 on the determination by filing a written statement with the commissioner within 30 days after receipt of the notice of denial. After the hearing, the commissioner shall notify the applicant in writing of the decision."

Page 7, line 29, delete "(4)" and insert "(5)"

Page 7, line 36, delete "(3)" and insert "(4)"

Page 8, line 5, delete "subdivision 7" and insert "this subdivision"

Page 8, line 17, delete "(3)" and insert "(4)"

Page 8, line 19, delete everything after "performed" and insert "at least 2,080 hours within the last five years in the body art area in which the applicant is seeking licensure."

Page 8, line 34, delete "per licensed establishment"

Page 9, line 26, after "sterilizer" insert "if there is no other working sterilizer with a negative spore test in the establishment"

Page 10, line 1, delete everything after "(a)"

Page 10, line 2, delete "2."

Page 10, delete line 10

Page 10, line 11, delete "(2)" and insert "(1)"

Page 10, line 12, delete "(3)" and insert "(2)"

Page 10, line 13, delete "(4)" and insert "(3)" and after the first "a" insert "nonporous washable" and delete "can" and insert "receptacle"

Page 10, line 16, delete everything after "for" and insert "body art procedures."

Page 10, delete line 17

Page 10, delete subdivision 2

Page 10, line 28, delete "3" and insert "2"

Page 11, line 12, delete "the quantity of"

Page 11, line 20, before "washable" insert "nonporous"

Page 11, line 21, delete "container" and insert "receptacle"

Page 11, line 23, after "closed" insert "nonporous"

Page 11, line 27, delete "must be provided" and insert "or a chemical germicide must be used"

Page 11, line 30, delete "4" and insert "3"

Page 11, line 35, after "razor" insert "or a stainless steel straight edge"

Page 12, line 9, delete "Hands" and insert "Upon leaving the procedure area, hands"

Page 12, line 11, delete "5" and insert "4"

Page 12, line 19, delete "6" and insert "5"

Page 13, delete lines 8 to 12

Page 13, line 13, delete "(c)" and insert "(b)"

Page 13, delete lines 26 to 32

Page 13, line 33, delete "(g)" and insert "(c)"

Page 13, after line 34, insert:

"Subd. 1a. **Prohibition.** (a) A technician shall only perform body piercings not identified in paragraph (c) on an individual under the age of 18 if the individual's parent or legal guardian is present and a consent form and the authorization form under subdivision 1, paragraph (b) is signed by the parent or legal guardian in the presence of the technician.

(b) No technician shall tattoo any individual under the age of 18 regardless of parental or guardian consent.

(c) No nipple or genital piercing, branding, scarification, suspension, subdermal implantation, microdermal, or tongue bifurcation shall be performed by any technician on any individual under the age of 18 regardless of parental or guardian consent.

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

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

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

Page 14, line 6, delete "a" and insert "body"

Page 14, line 9, delete "two" and insert "three"

Page 14, line 14, delete "release" and insert "authorization"

Page 14, line 15, delete "(c)" and insert "(b)"

Page 14, line 20, delete "1" and insert "1a"

Page 16, after line 30, insert:

"(d) The fee for a dual body art technician license is \$....."

Page 16, line 31, delete "(d)" and insert "(e)"

Page 16, line 32, delete "(e)" and insert "(f)"

Page 16, line 33, delete "(f)" and insert "(g)" and delete "and renewal"

Page 17, delete sections 11 and 12

Page 17, line 20, delete "12" and insert "10" and delete "August" and insert "July"

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.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 802, A bill for an act relating to human services; requiring mental health urgent care and psychiatric consultation; reducing certain hospital payment rates; changing medical assistance covered services; allowing intergovernmental transfers; creating a new general assistance medical care program; providing transitional MinnesotaCare coverage; requiring coordinated care delivery systems; creating a temporary uncompensated care pool and prescription drug pool; appropriating money; amending Minnesota Statutes 2008, sections 256.969, subdivision 27; 256B.0625, subdivision 13f, by adding a subdivision; 256B.0644; 256L.05, subdivisions 3, 3a; 256L.07, subdivision 6; 256L.15, subdivision 4; 256L.17, subdivision 7; 517.08, subdivision 1c; Minnesota Statutes 2009 Supplement, sections 256.969, subdivision 3a; 256B.0947, subdivision 1; 256B.196, subdivision 2; 256D.03, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 245; 256B; 256D; repealing Minnesota Statutes 2008, sections 256.742; 256.979, subdivision 8; 256B.195, subdivisions 4, 5; 256D.03, subdivision 9; 256L.05, subdivision 1b; 256L.07, subdivision 6; 256L.15, subdivision 4; 256L.17, subdivision 7; Minnesota Statutes 2009 Supplement, sections 256B.195, subdivisions 1, 2, 3; 256D.03, subdivision 4.

Reported the same back with the following amendments:

Page 6, lines 4, 5, and 6, delete the new language

Page 7, line 7, before the period, insert "or subdivision 28"

Page 10, lines 10, 22, 25, and 28, reinstate the stricken language

Page 11, after line 20, insert:

"(e) For purposes of paragraphs (a) and (b), participation in the general assistance medical care program applies only to pharmacy providers."

Page 13, line 19, delete "the day following final enactment" and insert "60 days after federal approval"

Page 13, line 23, before "intergovernmental" insert "voluntary"

Page 13, line 29, delete "Fairview University Medical Center" and insert "University of Minnesota Medical Center, Fairview, and SMDC Medical Center"

Page 14, lines 9, 18, and 21, before "intergovernmental" insert "voluntary"

Page 14, line 12, delete "an" and insert "a voluntary"

Page 14, delete line 24

Page 14, before line 25, insert:

"Sec. 10. Minnesota Statutes 2008, section 256B.69, subdivision 20, is amended to read:

Subd. 20. **Ombudsperson.** The commissioner shall designate an ombudsperson to advocate for persons required to enroll in prepaid health plans under this section. The ombudsperson shall advocate for recipients enrolled in prepaid health plans through complaint and appeal procedures and ensure that necessary medical services are provided either by the prepaid health plan directly or by referral to appropriate social services. At the time of enrollment in a prepaid health plan, the local agency shall inform recipients about the ombudsperson program and their right to a resolution of a complaint by the prepaid health plan if they experience a problem with the plan or its providers.

(b) The commissioner shall designate an ombudsperson to advocate for persons enrolled in a coordinated care delivery system under section 256D.031, subdivision 6. The ombudsperson shall advocate for recipients enrolled in a coordinated care delivery system through the state appeal process, and assist enrollees in accessing necessary medical services through the coordinated care delivery system directly or by referral to appropriate services. At the time of enrollment in a coordinated care delivery system, the local agency shall inform recipients about the ombudsperson program."

Page 14, line 34, delete "will" and insert "shall" and before the period, insert "and funded under section 256D.031, subdivision 9, beginning June 1, 2010"

Page 15, line 1, after "(b)" insert "Outpatient prescription"

Page 15, line 7, before "Prescription" insert "Outpatient"

Page 15, after line 9, insert:

"(c) Outpatient prescription drug coverage does not include drugs administered in a clinic or other outpatient setting."

Page 20, delete subdivision 2a

Page 22, line 14, before the period, insert ", unless a change that affects eligibility is reported"

Page 22, line 15, delete "individuals" and insert "recipients who continue to meet the eligibility requirements of this section"

Page 23, line 20, after "(c)" insert "Outpatient prescription" and delete the second comma and insert a period

Page 23, delete line 21

Page 23, line 24, after the comma, insert "and \$1 per generic drug prescription,"

Page 24, line 9, delete everything after "prescription" and insert "drugs covered under section 256D.03, subdivision 3, provided on or after April 1, 2010,"

Page 24, line 11, delete "subdivision 13e" and insert "subdivisions 13 to 13g"

Page 24, line 21, delete "an" and insert "a clinic or other"

Page 24, line 24, delete "emergency ground ambulance" and insert "medical"

Page 24, line 26, before "drugs" insert "prescription" and delete "an" and insert "a clinic or other"

Page 24, line 28, delete "subdivisions 7 and 9" and insert "section 256D.03, subdivision 3, and funded under subdivision 9"

Page 24, line 33, delete "2007" and insert "2008"

Page 25, line 10, before the period, insert "statewide"

Page 25, line 13, after the period, insert "The commissioner shall consider a recipient's zip code, city of residence, county of residence, or distance from a participating coordinated care delivery system when determining default assignment. An applicant or recipient may decline enrollment in a coordinated care delivery system."

Page 25, line 14, delete "enrollee" and insert "recipient"

Page 25, line 18, delete "An individual" and insert "A recipient who continues to meet the eligibility requirements of this section"

Page 25, line 20, delete "enrollees" and insert "recipients"

Page 25, line 29, delete "of the system's enrollees" and insert "recipient enrolled in the system"

Page 26, line 7, delete "an enrollee" and insert "a recipient"

Page 26, line 8, delete "that is certified as a health care home under section 256B.0751"

Page 26, line 11, delete "an enrollee" and insert "a recipient"

Page 26, line 14, delete "an enrollee of" and insert "a recipient enrolled in"

Page 26, line 15, after the period, insert "For purposes of this section, emergency services are defined according to Code of Federal Regulations, title 42, section 438.114(a)."

Page 26, line 16, delete "An enrollee of" and insert "A recipient enrolled in"

Page 26, line 22, delete "enrollee" and insert "recipient"

Page 26, line 23, delete "through" and insert "by"

Page 26, line 25, after the period, insert "The commissioner must provide this data to the legislature on a quarterly basis."

Page 26, after line 25, insert:

"(j) Effective June 1, 2010, the provisions of section 256.9695, subdivision 2, paragraph (b), do not apply to general assistance medical care provided under this section."

Page 26, line 31, delete everything before "June" and insert "in quarterly payments, beginning on the first scheduled warrant on or after"

Page 26, line 34, delete "2007" and insert "2008"

Page 27, line 1, delete everything after the period

Page 27, delete line 2

Page 27, line 3, delete everything before the period and insert "The commissioner may prospectively reallocate payments to participating hospitals on a biannual basis to ensure that final allocations reflect actual coordinated care delivery system enrollment" and delete "2007" and insert "2008"

Page 27, line 13, delete everything after "coverage" and insert "is provided according to section 256D.03, subdivision 3, and paid on a fee-for-service basis under subdivision 9."

Page 27, delete lines 14 and 15

Page 27, line 22, delete "enrollee" and insert "recipient"

Page 27, line 34, delete "a" and insert "an outpatient"

Page 27, line 36, delete "providers for" and insert "pharmacy service providers as defined in Minnesota Rules, part 9505.0340, for the covered outpatient" and delete "enrollees," and insert "recipients. Payment for drugs shall be"

Page 28, line 1, after "to" insert "the rates established in" and after the period, insert "Outpatient"

Page 28, line 7, delete "that in the"

Page 28, delete lines 8 and 9

Page 28, line 10, delete everything before the comma and insert "equal to 20 percent of payments for the prescribed drugs for recipients of services through that coordinated care delivery system"

Page 29, lines 5 to 8, strike the old language and delete the new language

Page 29, line 9, delete "April 1, 2010" and insert "January 1, 2011"

Page 29, line 23, strike everything after "(c)"

Page 29, lines 24 to 26, strike the old language and delete the new language

Page 29, line 32, delete "April 1, 2010" and insert "January 1, 2011"

Pages 29 to 30, delete sections 14 to 16 and insert:

"Sec. 14. Minnesota Statutes 2008, section 256L.05, subdivision 3c, is amended to read:

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

Page 31, after line 22, insert:

"Sec. 17. **TRANSITIONAL MINNESOTACARE PHASEOUT.**

For any applicant or recipient who meets the requirements of Minnesota Statutes, section 256D.03, subdivision 3, paragraph (d), before April 1, 2010, and who is not exempt under Minnesota Statutes, section 256D.03, subdivision 3, paragraph (f), the commissioner of human services shall continue the process of enrolling the recipient in MinnesotaCare as required under Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3, paragraph (d), and, upon the completion of enrollment, the recipient shall receive services under MinnesotaCare in accordance with Minnesota Statutes, section 256L.03. County agencies shall continue to perform all duties necessary to administer the MinnesotaCare program ongoing for individuals enrolled in MinnesotaCare according to Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3, paragraph (d), including the redetermination of MinnesotaCare eligibility at renewal.

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

Page 31, delete section 20 and insert:

"Sec. 23. **REPEALER.**

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

(b) Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 4, is repealed.

(c) Minnesota Statutes 2008, section 256B.195, subdivisions 4 and 5, are repealed effective retroactively to October 1, 2009.

(d) Minnesota Statutes 2009 Supplement, section 256B.195, subdivisions 1, 2, and 3, are repealed effective retroactively to October 1, 2009.

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

Page 32, line 23, delete "(7,517,000)" and insert "(7,985,000)" and delete "(69,393,000)" and insert "(93,128,000)"

Page 32, line 27, delete "(42,324,000)" and insert "(42,792,000)" and delete "(187,886,000)" and insert "(211,621,000)"

Page 33, delete lines 14 to 16 and insert:

"(a) MinnesotaCare Grants (42,792,000) (211,621,000)

This appropriation reduction is from the health care access fund."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, line 6, delete "coverage;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1640, A bill for an act relating to health; establishing an academic detailing program for prescription drugs; allowing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62U.

Reported the same back with the following amendments:

Page 1, line 7, delete "health" and insert "human services"

Page 1, line 8, delete everything after "Pharmacy" and insert ", the University of Minnesota Medical School, and the University of Minnesota College of Pharmacy, shall develop"

Page 1, line 11, delete "physicians, pharmacists, and other" and delete "and"

Page 1, line 12, delete "dispense prescription"

Page 1, line 18, after the period, insert "The commissioner may limit the scope of the outreach and education to those drugs identified by the Drug Utilization Review Board, established under section 256B.0625, subdivision 13i, as being the most subject to fraud, abuse, gross overuse, or associated with inappropriate or medically unnecessary care."

Page 2, line 10, after "include" insert ", but is not limited to."

Page 2, lines 11 and 14, delete "clinician"

Page 2, line 21, delete "physicians, pharmacists, and other" and delete "with prescribing and"

Page 2, line 22, delete "dispensing authority" and insert "who as a group collectively prescribe 80 percent or more of prescription medications dispensed to enrollees in the medical assistance, general assistance medical care, and MinnesotaCare programs, and"

Page 2, line 23, after the period, insert "The commissioner may further limit the outreach and education to specific prescribers identified by the Drug Utilization Review Board."

Page 2, line 26, delete "deposited in the general fund and"

Page 2, line 33, after "the" insert "chairs and ranking minority members of the"

Page 2, line 34, after "care" insert "policy and finance"

Page 3, delete subdivision 5

Page 3, line 3, delete "6" and insert "5"

Page 3, after line 5, insert:

"Subd. 6. **Fee assessed.** The commissioner of human services, effective July 1, 2010, shall assess each wholesale drug distributor required to be licensed under section 151.47 a quarterly fee, equal to 0.5 percent of revenues the distributor would have received in the most recent quarter for which drug utilization information by manufacturer labeler code is available, had the distributor been reimbursed by the commissioner under section 256B.0625, subdivision 13e, for drugs provided to medical assistance, general assistance medical care, and MinnesotaCare enrollees. The commissioner shall use revenues from the assessment to implement the prescription drug education program."

Page 3, delete section 2

Amend the title as follows:

Page 1, line 3, delete "allowing rulemaking" and insert "assessing fees"

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

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 1671, 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.

Reported the same back with the following amendments:

Page 14, line 20, before the period, insert "and that has no more than \$2,500,000,000 in assets"

Page 20, line 20, delete the second "\$228,000" and insert "\$312,000"

Page 21, line 17, delete "\$90,000" and insert "\$6,000"

Page 27, line 18, delete "(446,000)" and insert "(177,000)"

Page 28, line 28, delete "(250,000)" and insert "(100,000)"

Page 33, line 23, delete "and"

Page 33, line 27, delete the period and insert "; and"

Page 33, after line 27, insert:

"(15) \$4,000 in the first year is from the petroleum inspection fee established in Minnesota Statutes, section 239.101, for renewable energy equipment grants."

Page 63, line 23, delete "Military" and insert "Minnesota"

Page 65, delete section 6

Page 76, after line 1, insert:

"Sec. 12. **ADJUSTMENT.**

The amounts appropriated in Laws 2009, chapter 78, article 1, section 3, subdivision 3, paragraph (aa), for adult and displaced worker programs, are available for the appropriated purposes until April 1, 2010, and after that date are available for the purposes of serving formula individual dislocated workers from small layoffs under Minnesota Statutes, section 116L.17. None of these amounts may be used for administrative costs by either the commissioner of employment and economic development or the local workforce investment boards.

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

Page 76, after line 5, insert:

"ARTICLE 8

MISCELLANEOUS ECONOMIC DEVELOPMENT

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."

Page 86, delete section 6

Page 96, delete section 20 and insert:

"Sec. 20. Minnesota Statutes 2008, section 641.12, is amended by adding a subdivision to read:

Subd. 4. **Sentencing to service fees.** (a) A county board may require that an offender who participates in sentencing to service pay a fee.

(b) A county may assess a fee to entities that receive direct benefit from sentencing to service work crews."

Page 105, delete lines 9 to 16 and insert:

"The Legislative Coordinating Commission must ensure that the house of representatives and the senate have improved ability to access and analyze public data contained in executive branch accounting, procurement, and budget systems. The commission must issue a request for information or a request for proposals for the legislature to obtain business intelligence and information analytics software or software services."

Page 106, line 11, delete "(335,000)" and insert "(419,000)"

Page 106, line 22, after the period, insert "The general fund base budget for the government and citizens services program is \$8,936,000 in fiscal year 2012 and \$8,936,000 in fiscal year 2013."

Page 106, line 23, delete "is" and insert "and \$31,000 in fiscal year 2011 are"

Page 110, delete section 21 and insert:

"Sec. 21. **[16A.0561] MAPPED DATA ON EXPENDITURES.**

(a) Data on expenditure of money from the funds as specified under sections 3.303, subdivision 10, and 116P.08, may, if practicable, 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 should 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.

(b) If requested, the Legislative Coordinating Commission may, to the extent practicable, provide relevant executive branch agencies with public geospatial data that it receives for its Web site required under section 3.303, subdivision 10. The commissioner may make this information available to the public in a similar manner as information provided under paragraph (a).

(c) In creating plans for public expenditures from all geographically locatable or project based appropriations, prospective budget and project planning should consider geographic and data reporting that would facilitate the goals of this section."

Page 128, delete article 15

Page 128, after line 19, insert:

"ARTICLE 16

AIDS AND CREDITS

Section 1. Minnesota Statutes 2008, section 273.1384, is amended by adding a subdivision to read:

Subd. 6. **Credit reduction.** In 2011 and each year thereafter, the market value credit reimbursement amount for each taxing jurisdiction determined under this section is reduced by the dollar amount of the reduction in market value credit reimbursements for that taxing jurisdiction in 2010 due to unallotment reductions announced prior to February 28, 2010, under section 16A.152. No taxing jurisdiction's market value credit reimbursements are reduced

to less than zero under this subdivision. The commissioner of revenue shall pay the annual market value credit reimbursement amounts, after reduction under this subdivision, to the affected taxing jurisdictions as provided in this section.

EFFECTIVE DATE. This section is effective for taxes payable in 2011 and thereafter.

Sec. 2. Minnesota Statutes 2009 Supplement, section 275.70, subdivision 5, is amended to read:

Subd. 5. **Special levies.** "Special levies" means those portions of ad valorem taxes levied by a local governmental unit for the following purposes or in the following manner:

(1) to pay the costs of the principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due on municipal liquor store bonds in the year preceding the year for which the levy limit is calculated;

(2) to pay the costs of principal and interest on certificates of indebtedness issued for any corporate purpose except for the following:

(i) tax anticipation or aid anticipation certificates of indebtedness;

(ii) certificates of indebtedness issued under sections 298.28 and 298.282;

(iii) certificates of indebtedness used to fund current expenses or to pay the costs of extraordinary expenditures that result from a public emergency; or

(iv) certificates of indebtedness used to fund an insufficiency in tax receipts or an insufficiency in other revenue sources;

(3) to provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(4) to fund payments made to the Minnesota State Armory Building Commission under section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(5) property taxes approved by voters which are levied against the referendum market value as provided under section 275.61;

(6) to fund matching requirements needed to qualify for federal or state grants or programs to the extent that either (i) the matching requirement exceeds the matching requirement in calendar year 2001, or (ii) it is a new matching requirement that did not exist prior to 2002;

(7) to pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes, in accordance with standards formulated by the Emergency Services Division of the state Department of Public Safety, as allowed by the commissioner of revenue under section 275.74, subdivision 2;

(8) pay amounts required to correct an error in the levy certified to the county auditor by a city or county in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.70 to 275.74 in the preceding levy year;

(9) to pay an abatement under section 469.1815;

(10) to pay any costs attributable to increases in the employer contribution rates under chapter 353, or locally administered pension plans, that are effective after June 30, 2001;

(11) to pay the operating or maintenance costs of a county jail as authorized in section 641.01 or 641.262, or of a correctional facility as defined in section 241.021, subdivision 1, paragraph (f), to the extent that the county can demonstrate to the commissioner of revenue that the amount has been included in the county budget as a direct result of a rule, minimum requirement, minimum standard, or directive of the Department of Corrections, or to pay the operating or maintenance costs of a regional jail as authorized in section 641.262. For purposes of this clause, a district court order is not a rule, minimum requirement, minimum standard, or directive of the Department of Corrections. If the county utilizes this special levy, except to pay operating or maintenance costs of a new regional jail facility under sections 641.262 to 641.264 which will not replace an existing jail facility, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71, shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination;

(12) to pay for operation of a lake improvement district, as authorized under section 103B.555. If the county utilizes this special levy, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71 shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination;

(13) to repay a state or federal loan used to fund the direct or indirect required spending by the local government due to a state or federal transportation project or other state or federal capital project. This authority may only be used if the project is not a local government initiative;

(14) to pay for court administration costs as required under section 273.1398, subdivision 4b, less the (i) county's share of transferred fines and fees collected by the district courts in the county for calendar year 2001 and (ii) the aid amount certified to be paid to the county in 2004 under section 273.1398, subdivision 4c; however, for taxes levied to pay for these costs in the year in which the court financing is transferred to the state, the amount under this clause is limited to the amount of aid the county is certified to receive under section 273.1398, subdivision 4a;

(15) to fund a police or firefighters relief association as required under section 69.77 to the extent that the required amount exceeds the amount levied for this purpose in 2001;

(16) for purposes of a storm sewer improvement district under section 444.20;

(17) to pay for the maintenance and support of a city or county society for the prevention of cruelty to animals under section 343.11, but not to exceed in any year \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most recent federal census, whichever is greater. If the city or county uses this special levy, any amount levied by the city or county in the previous levy year for the purposes specified in this clause and included in the city's or county's previous year's levy limit computed under section 275.71, must be deducted from the levy limit base under section 275.71, subdivision 2, in determining the city's or county's current year levy limit;

(18) for counties, to pay for the increase in their share of health and human service costs caused by reductions in federal health and human services grants effective after September 30, 2007;

(19) for a city, for the costs reasonably and necessarily incurred for securing, maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by the commissioner of revenue under section 275.74, subdivision 2. A city must have either (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a foreclosure rate in 2007 in the city or in a zip code area of the city that is at least 50 percent higher than the average foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2, to use this special levy. For purposes of this paragraph, "foreclosure rate" means the number of foreclosures, as indicated by sheriff sales records, divided by the number of households in the city in 2007;

(20) for a city, for the unreimbursed costs of redeployed traffic-control agents and lost traffic citation revenue due to the collapse of the Interstate 35W bridge, as certified to the Federal Highway Administration;

(21) to pay costs attributable to wages and benefits for sheriff, police, and fire personnel. If a local governmental unit did not use this special levy in the previous year its levy limit base under section 275.71 shall be reduced by the amount equal to the amount it levied for the purposes specified in this clause in the previous year;

(22) an amount equal to any reductions in the certified aids or credits payable under sections 477A.011 to 477A.014, and section 273.1384, due to unallotment under section 16A.152 or reductions under another provision of law. The amount of the levy allowed under this clause is equal to the amount unallotted or reduced in the calendar year in which the tax is levied unless the unallotment or reduction amount is not known by September 1 of the levy year, and the local government has not adjusted its levy under section 275.065, subdivision 6, or 275.07, subdivision 6, in which case the unallotment or reduction amount may be levied in the following year;

(23) to pay for the difference between one-half of the costs of confining sex offenders undergoing the civil commitment process and any state payments for this purpose pursuant to section 253B.185, subdivision 5;

(24) for a county to pay the costs of the first year of maintaining and operating a new facility or new expansion, either of which contains courts, corrections, dispatch, criminal investigation labs, or other public safety facilities and for which all or a portion of the funding for the site acquisition, building design, site preparation, construction, and related equipment was issued or authorized prior to the imposition of levy limits in 2008. The levy limit base shall then be increased by an amount equal to the new facility's first full year's operating costs as described in this clause; and

(25) for the estimated amount of reduction to ~~credits~~ market value credit reimbursements under section 273.1384 for credits payable in the year in which the levy is payable.

EFFECTIVE DATE. This section is effective for taxes payable in 2011 and thereafter.

Sec. 3. Minnesota Statutes 2008, section 477A.013, subdivision 9, is amended to read:

Subd. 9. **City aid distribution.** (a) In calendar year 2009 and thereafter, each city shall receive an aid distribution equal to the sum of (1) the city formula aid under subdivision 8, and (2) its city aid base.

(b) For aids payable in ~~2009~~ 2010 only, the total aid for any city shall ~~not exceed the sum of (1) 35 percent of the city's net levy for the year prior to the aid distribution, plus (2) its total aid in the previous year~~ mean the amount of aid it was certified to receive for aids payable in 2010 under this section minus the amount of its aid reduction under section 477A.0133. For aids payable in 2011 and thereafter, the total aid for any city means the amount of aid it was certified to receive under this section in the previous payable year.

(c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total aid for any city with a population of 2,500 or more may not be less than its total aid under this section in the previous year minus the lesser of \$10 multiplied by its population, or ten percent of its net levy in the year prior to the aid distribution.

(d) For aids payable in 2010 and thereafter, the total aid for a city with a population less than 2,500 must not be less than the amount it was certified to receive in the previous year minus the lesser of \$10 multiplied by its population, or five percent of its 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a population less than 2,500 must not be less than what it received under this section in the previous year unless its total aid in calendar year 2008 was aid under section 477A.011, subdivision 36, paragraph (s), in which case its minimum aid is zero.

(e) A city's aid loss under this section may not exceed \$300,000 in any year in which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or greater than the appropriation under that subdivision in the previous year, unless the city has an adjustment in its city net tax capacity under the process described in section 469.174, subdivision 28.

(f) If a city's net tax capacity used in calculating aid under this section has decreased in any year by more than 25 percent from its net tax capacity in the previous year due to property becoming tax-exempt Indian land, the city's maximum allowed aid increase under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease resulting from the property becoming tax exempt.

EFFECTIVE DATE. This section is effective for aids payable in calendar year 2011 and thereafter.

Sec. 4. **[477A.0133] ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.

(b) The "2010 revenue base" for a county is the sum of the county's certified property tax levy for taxes payable in 2010, plus the amount of county program aid under section 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that the county was certified to receive in 2010 including any amounts required to be placed in a special fund for distribution in a later year.

(c) The "2010 revenue base" for a statutory or home rule charter city is the sum of the city's certified property tax levy for taxes payable in 2010, plus the amount of local government aid under section 477A.013, subdivision 9, that the city was certified to receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that the city was certified to receive in 2010 including any amounts required to be placed in a special fund for distribution in a later year.

Subd. 2. **2010 reductions; counties, and cities.** The commissioner of revenue must compute additional 2010 aid and credit reimbursement reduction amounts for each county and city under this section, after implementing any reduction of county program aid under section 477A.0124, local government aid under section 477A.013, or market value credit reimbursements under section 273.1384, to reflect the reduction of allotments under section 16A.152.

The additional reduction amounts under this section are limited to the sum of the amount of county program aid under section 477A.0124, local government aid under section 477A.013, and market value credit reimbursements under section 273.1384 payable to the county or city in 2010 before the reductions in this section, but after the reductions for unallotments.

The reduction amount under this section is applied first to reduce the amount payable to the county or city in 2010 as market value credit reimbursements under section 273.1384, and then if necessary, to reduce the amount payable as either county program aid under section 477A.0124 in the case of a county, or local government aid under section 477A.013 in the case of a city.

No aid or reimbursement amount is reduced to less than zero under this section.

The additional 2010 aid reduction amount for a county is equal to 1.82767 percent of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28 multiplied by the city's 2008 population.

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

Sec. 5. Minnesota Statutes 2008, section 477A.03, subdivision 2a, is amended to read:

Subd. 2a. **Cities.** For aids payable in ~~2009~~ 2011 and thereafter, the total aid paid under section 477A.013, subdivision 9, is ~~\$526,148,487, subject to adjustment in subdivision 5~~ \$520,725,315.

EFFECTIVE DATE. This section is effective for aids payable in 2011 and thereafter.

Sec. 6. Minnesota Statutes 2008, section 477A.03, subdivision 2b, is amended to read:

Subd. 2b. **Counties.** (a) For aids payable in ~~2009~~ 2011 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is ~~\$111,500,000 minus one half of the total aid amount determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment in subdivision 5~~ \$99,572,700. Each calendar year, \$500,000 shall be retained by the commissioner of revenue to make reimbursements to the commissioner of management and budget for payments made under section 611.27. For calendar year 2004, the amount shall be in addition to the payments authorized under section 477A.0124, subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted from the appropriation under this paragraph. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county need aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.

(b) For aids payable in ~~2009~~ 2011 and thereafter, the total aid under section 477A.0124, subdivision 4, is ~~\$116,132,923 minus one half of the total aid amount determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment in subdivision 5~~ \$104,487,304. The commissioner of management and budget shall bill the commissioner of revenue for the cost of preparation of local impact notes as required by section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter. The commissioner of education shall bill the commissioner of revenue for the cost of preparation of local impact notes for school districts as required by section 3.987, not to exceed \$7,000 in fiscal year 2004 and thereafter. The commissioner of revenue shall deduct the amounts billed under this paragraph from the appropriation under this paragraph. The amounts deducted are appropriated to the commissioner of management and budget and the commissioner of education for the preparation of local impact notes.

EFFECTIVE DATE. This section is effective for aids payable in 2011 and thereafter.

Sec. 7. **REPEALER.**

Minnesota Statutes 2008, section 477A.03, subdivision 5, is repealed.

EFFECTIVE DATE. This section is effective for aids payable in 2011 and thereafter."

Renumber the articles and sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete "of" and insert "and operation of state and local"

Page 1, line 34, before "authorizing" insert "modifying calculation of state aids and credits for local government;"

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. 1828, A bill for an act relating to municipal planning; authorizing amendments to a municipal comprehensive plan for affordable housing to be approved by a simple majority; amending Minnesota Statutes 2008, section 462.355, subdivision 3.

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. 2379, A bill for an act relating to health; requiring coverage for prosthetic devices; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[62A.251] COVERAGE FOR ORTHOTIC AND PROSTHETIC DEVICES.**

Subdivision 1. Definitions. The following definitions have the meanings given for purposes of this section.

(a) "Prosthesis" means an external medical device that is not surgically implanted and that is used to replace a missing limb, appendage, or other external human body part including an artificial limb, hand, or foot, and is deemed medically necessary. For purposes of this section, prosthesis includes any repair or replacement of the device and may be furnished only by an accredited provider in comprehensive prosthetic services, or a credentialed clinician who is certified or licensed.

(b) "Prosthetics" means the science and practice of evaluation, measuring, designing, fabricating, assembling, fitting, aligning, adjusting, or servicing, as well as providing the initial training necessary to accomplish the fitting of, a prosthesis through the replacement of external parts of a human body lost due to amputation or congenital deformities or absences. The practice of prosthetics also includes the generation of an image, form, or mold that replicates the patient's body segment and that requires rectification of dimensions, contours, and volumes for use in

the design and fabrication of a socket to accept a residual anatomic limb to, in turn, create an artificial appendage that is designed either to support body weight or to improve or restore function or anatomical appearance, or both. Involved in the practice of prosthetics is observational gait analysis and clinical assessment of the requirements necessary to refine and mechanically fix the relative position of various parts of the prosthesis to maximize function, stability, and safety of the patient. The practice of prosthetics includes providing and continuing patient care in order to assess the prosthetic device's effect on the patient's tissues and to assure proper fit and function of the prosthetic device by periodic evaluation.

(c) "Orthosis" means:

(1) an external medical device that is custom-fabricated or custom-fitted to a specific patient based on the patient's unique physical condition and is applied to a part of the body to correct a deformity, provide support and protection, restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or postoperative condition and is deemed medically necessary; and

(2) any repair or replacement of the device that is furnished by an accredited facility in comprehensive orthotic services, or by a credentialed clinician who is certified or licensed.

(d) "Orthotics" means:

(1) the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, adjusting, or servicing and providing the initial training necessary to accomplish the fitting of an orthotic device for the support, correction, or alleviation of a neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity;

(2) evaluation, treatment, and consultation;

(3) basic observation of gait and postural analysis;

(4) assessing and designing orthosis to maximize function and provide support and alignment necessary to prevent or correct a deformity or to improve the safety and efficiency of mobility and locomotion;

(5) continuing patient care to assess the effect on the patient's tissues; and

(6) proper fit and function of the orthotic device by periodic evaluation.

For purposes of orthotic device coverage, this section specifically excludes the following categories: items that are available over-the-counter without a prescription, such as soft goods, immobilizers, soft collars, corsets, sleeves, wraps, and other items not requiring modification or adjustment and can be fitted with minimum expertise.

(e) "Accredited provider" means any provider that is accredited by the American Board for Certification in Orthotics Prosthetics and Pedorthics (ABC), by the Board for Orthotist/Prosthetist Certification (BOC), by the Joint Commission (JC), or by the Commission on Accreditation of Rehabilitation Facilities (CARF) and that provides comprehensive orthotic and prosthetic devices or services.

Subd. 2. Coverage. (a) A health plan shall provide coverage for orthotic and prosthetic devices, supplies, and services to the extent that coverage is provided under federal laws for health insurance for the aged and disabled under sections 1832, 1833, 1834, Social Security Act (United States Code, title 42, sections 1395k, 1395l, and 1395m), but only to the extent consistent with this section. Coverage may be limited to the orthotic or prosthetic devices, supplies, and services that are the most appropriate model that is determined medically necessary and includes the design, fabrication, material and component selection, and measurements, fittings, static and dynamic alignments and device maintenance, including repair of the device to restore or maintain the ability to complete activities of daily living and essential job-related activities and that is not solely for comfort, convenience, or recreation.

(b) Orthotic and prosthetic device coverage under this section may only be subject to the annual or lifetime dollar maximums, deductibles, and coinsurance that apply generally to all terms and services covered under the plan.

(c) Reimbursement for orthotic and prosthetic devices, supplies, and services must be equal to the reimbursement of other contracted medical services between an accredited provider and a health plan or state-funded medical insurance plan.

Subd. 3. **Prior authorization.** A health plan may require prior authorization for orthotic and prosthetic devices, supplies, and services in the same manner and to the same extent as prior authorization is required for any other covered benefit.

Subd. 4. **Repair or replacement.** The coverage under this section shall include repair or replacement of an orthotic or prosthetic device that is medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that is not solely for comfort, convenience, or recreation. Repair or replacement due to the covered individual's neglect, misuse, or abuse is not covered.

Subd. 5. **Accredited provider.** Orthotic and prosthetic devices, supplies, and services must be provided by an accredited provider in comprehensive orthotic or prosthetic services and prescribed by a licensed physician or licensed health care provider who has the authority in this state to prescribe orthotic and prosthetic devices, supplies, and services.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to all health plans issued or renewed to provide coverage for Minnesota residents on or after that date."

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

The report was adopted.

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

H. F. No. 2510, A bill for an act relating to elections; prohibiting threats of reprisal against a person who is or is considering being a candidate; amending Minnesota Statutes 2008, section 211B.10, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 211B.10, subdivision 1, is amended to read:

Subdivision 1. **Inducing or refraining from candidacy.** A person may not reward or promise to reward another in any manner, and may not coerce another as prohibited by section 609.27, to induce the person to be or refrain from or cease being a candidate. A person may not solicit or receive a payment, promise, or reward from another for this purpose.

Sec. 2. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to elections; prohibiting coercion of a person who is or is considering being a candidate; amending Minnesota Statutes 2008, section 211B.10, subdivision 1."

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. 2634, A bill for an act relating to natural resources; expanding prohibitions on the appropriation of water from the Mt. Simon-Hinckley aquifer; amending Minnesota Statutes 2008, section 103G.271, subdivision 4a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 103G.271, subdivision 4a, is amended to read:

Subd. 4a. **Mt. Simon-Hinckley aquifer.** (a) Except as provided in paragraph (b), the commissioner may not issue new water use permits that will appropriate water from for the Mt. Simon-Hinckley aquifer in a metropolitan county, as defined in section 473.121, subdivision 4, unless the appropriation is for potable domestic water use, there are no feasible or practical alternatives to this source, and a water conservation plan is incorporated with the permit. Domestic water uses include water used for general household purposes for essential human needs such as cooking, cleaning, drinking, washing, and waste disposal.

(b) The commissioner shall terminate all permits authorizing appropriation and use of water from the Mt. Simon-Hinckley aquifer for once through systems in a metropolitan county, as defined in section 473.121, subdivision 4, by December 31, 1992. The commissioner may issue new water use permits for the Mt. Simon-Hinckley aquifer for nondomestic uses if the volume of water is less than 100,000,000 gallons per year, there are no feasible or practical alternatives to this source, and a water conservation plan is incorporated with the permit. This paragraph does not apply within a metropolitan county, as defined in section 473.121, subdivision 4."

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. 2660, A bill for an act relating to state government; creating the Minnesota Coalition for Innovation and Collaboration; providing for certain rule and law waivers; appropriating money; amending Minnesota Statutes 2008, section 6.80; proposing coding for new law in Minnesota Statutes, chapter 16B.

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. 2699, A bill for an act relating to mortgages; regulating acquisition of the legal right to redeem a residence in foreclosure; requiring a notice to the mortgagee after a sheriff's sale of residential real property in foreclosure; amending Minnesota Statutes 2008, sections 325N.10, by adding a subdivision; 325N.17; 580.06; 582.25.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 580.03, is amended to read:

580.03 NOTICE OF SALE; SERVICE ON OCCUPANT.

Six weeks' published notice shall be given that such mortgage will be foreclosed by sale of the mortgaged premises or some part thereof, and at least four weeks before the appointed time of sale a copy of such notice shall be served in like manner as a summons in a civil action in the district court upon the person in possession of the mortgaged premises, if the same are actually occupied. If there be a building on such premises used by a church or religious corporation, for its usual meetings, service upon any officer or trustee of such corporation shall be a sufficient service upon it. ~~The notice~~ notices required by sections 580.041 and 580.042 must be served simultaneously with the notice of foreclosure required by this section.

Sec. 2. Minnesota Statutes 2009 Supplement, section 580.04, is amended to read:

580.04 REQUISITES OF NOTICE.

(a) Each notice shall specify or contain:

(1) the name of the mortgagor, the mortgagee, each assignee of the mortgage, if any, and the original or maximum principal amount secured by the mortgage;

(2) the date of the mortgage, and when and where recorded, except where the mortgage is upon registered land, in which case the notice shall state that fact, and when and where registered;

(3) the amount claimed to be due on the mortgage on the date of the notice;

(4) a description of the mortgaged premises, conforming substantially to that contained in the mortgage, and the commonly used street address of the mortgaged premises;

(5) the time and place of sale;

(6) the time allowed by law for redemption by the mortgagor, the mortgagor's personal representatives or assigns; ~~and~~

(7) the name, address, and telephone number of a current representative of the mortgagee or an assignee of the mortgage who has the authority to negotiate a resolution of the foreclosure and respond to property maintenance concerns of the city or town in which the premises is located; and

(8) for mortgaged premises described in section 582.032, subdivision 1, the following statement in capital letters: "THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR'S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF A JUDICIAL

ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED."

(b) If the real estate is an owner-occupied, single-family dwelling, the notice must also specify the date on or before which the mortgagor must vacate the property if the mortgage is not reinstated under section 580.30 or the property redeemed under section 580.23. The notice must state that the time to vacate the property is 11:59 p.m. on the specified date.

Sec. 3. Minnesota Statutes 2008, section 580.041, as amended by Laws 2009, chapter 123, section 7, and Laws 2009, chapter 130, section 7, is amended to read:

580.041 FORECLOSURE ADVICE AND REDEMPTION RIGHTS NOTICE TO OWNERS.

Subd. 1a. **Applicability.** This section applies to foreclosure of mortgages by advertisement under this chapter and foreclosure of mortgages by action under chapter 581 on property consisting of one to four family dwelling units, one of which the owner occupies as the owner's principal place of residency when the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded.

Subd. 1b. **Form and delivery of foreclosure advice notice.** The foreclosure advice notice required by this section must be in 14-point boldface type and must be printed on colored paper that is other than the color of the notice of foreclosure required by sections 580.03 and 580.04 and the notice of redemption rights required by this section, and that does not obscure or overshadow the content of the notice. The title of the notice must be in 20-point boldface type. The notice must be on its own page. The foreclosure advice notice required by this section must be delivered with the notice of foreclosure required by sections 580.03 and 580.04. The foreclosure advice notice required by this section also must be delivered with each subsequent written communication regarding the foreclosure mailed to the mortgagor by the foreclosing party up to the day of redemption. A foreclosing mortgagee will be deemed to have complied with this section if it sends the foreclosure advice notice required by this section at least once every 60 days during the period of the foreclosure process. The foreclosure advice notice required by this section must not be published.

Subd. 1c. **Form and delivery of notice of redemption rights.** The notice of redemption rights required by this section must be in 14-point boldface type and must be printed on colored paper that is other than the color of the notice of foreclosure required by sections 580.03 and 580.04 and the foreclosure advice notice required by this section, and that does not obscure or overshadow the content of the notice. The title of the notice must be in 20-point boldface type. The notice must be on its own page. The notice of redemption rights must be delivered with the notice of foreclosure required by sections 580.03 and 580.04. The notice of redemption rights required by this section must not be published.

Subd. 2. **Content of foreclosure advice notice.** The foreclosure advice notice required by this section must appear substantially as follows:

"Help For Homeowners in Foreclosure

The attorney preparing this foreclosure is: _____
(Attorney name, address, phone)

It is being prepared for:

(Lender name, loss mitigation phone number)

AS OF [insert date], this lender says that you owe \$[insert dollar amount] to bring your mortgage up to date (or "reinstate" your mortgage). You must pay this amount, plus interest and other costs, to keep your house from going through a sheriff's sale. The sheriff's sale is scheduled for [insert date] at [insert time] at [insert place].

Mortgage foreclosure is a complex process. People may contact you with advice and offers to help "save" your home.

Remember: It is important that you learn as much as you can about foreclosure and your situation. Find out about all your options before you make any agreements with anyone about the foreclosure of your home.

Getting Help

As soon as possible, you should contact your lender at the above number to talk about things you might be able to do to prevent foreclosure. You should also consider contacting the foreclosure prevention counselor in your area. A foreclosure prevention counselor can answer your questions, offer free advice, and help you create a plan which makes sense for your situation.

Contact the Minnesota Home Ownership Center at 651-659-9336 or 866-462-6466 or www.hocmn.org to get the phone number and location of the nearest counseling organization. Call today. The longer you wait, the fewer options you may have for a desirable result.

Information About the Foreclosure Process

~~You do not need to move at the time of the sheriff's sale. After the sheriff's sale you have the right to "redeem." Redeem means that you pay off the entire loan amount plus fees to keep your house. You can keep living in your home for a period of time. This is called a "redemption period." The redemption period is [insert number of months] months after the sheriff's sale. This redemption period is your chance to try and sell your home or refinance it with a different loan. You can also pay the redemption amount with any other funds you have available. At the end of the redemption period you will have to leave your home. If you do not, the person or company that bid on your home at the sheriff's sale has the right to file an eviction against you in district court."~~

Subd. 2a. **Content of notice of redemption rights.** The notice of redemption rights required by this section must appear substantially as follows:

"What Happens After the Foreclosure Sale

After the sheriff's sale, you have the right to "redeem." Redeem means that you pay the amount bid for your house at the sheriff's sale plus interest and costs to keep your house. You can keep living in your home for a period of time after the foreclosure sale. This is called a "redemption period." The redemption period is [insert number of months] months after the sheriff's sale.

At the end of the redemption period, if you do not redeem or sell, you will have to leave your home. If you do not leave, the person or company that bid on your home at the sheriff's sale has the right to file an eviction against you in court.

Be Careful of Foreclosure Scams

Be careful! After the foreclosure sale, people may approach you to buy your house or offer to transfer your house to them for little or no money.

Before you give up the rights to your house or sign any documents (including a deed), be sure you know how much the house sold for at the sheriff's sale and decide if you can save it by paying the amount of the bid, plus interest and costs.

How to Find Out How Much Your House Sold For at the Foreclosure Sale

The amount you need to pay to redeem your house may be less than the amount you owed on your mortgage before the sale (although it could also be more). You can learn what this amount is (and who the winning bidder at the sale was) by attending the sheriff's sale or by contacting the sheriff's office after the sale.

You Can Also Sell Your House

During the redemption period, if you sell your home, you must sell it for enough to pay off the winning bidder from the sheriff's sale AND pay any recorded liens, fines, or fees that have accumulated. (A lien is a legal claim that someone has put on your property because you owe that person money. A recorded lien means that it has been filed with the county as a public document.) If there is any money left from the sale of the house after all these debts are paid, you can keep the money. You can also enter into a "short sale" where the lender agrees to accept less than the full amount you owe on the mortgage.

Get More Information and Advice

For more information and advice, contact an attorney or a mortgage foreclosure prevention counselor. You can find a mortgage foreclosure prevention counselor by contacting the Minnesota Home Ownership Center at 651-659-9336 or 866-462-6466 or www.hocmn.org to get the phone number and location of the nearest counseling organization."

Subd. 3. **Affidavit.** Any person may establish compliance with or inapplicability of this section by recording, with the county recorder or registrar of titles, an affidavit by a person having knowledge of the facts, stating that the notice required by this section has been delivered in compliance with this section or that this section is not applicable because the property described in the notice of foreclosure did not consist of one to four family dwelling units, one of which was occupied by the owner as the owner's principal place of residency. The affidavit and a certified copy of a recorded affidavit shall be prima facie evidence of the facts stated in the affidavit. The affidavit may be recorded regarding any foreclosure sale, including foreclosure sales which occurred prior to August 1, 2005, and may be recorded separately or as part of the record of a foreclosure.

Subd. 4. **Validation of foreclosure sales.** No mortgage foreclosure sale under this chapter shall be invalid because of failure to comply with this section unless an action to invalidate the sale is commenced and a notice of lis pendens is filed with the county recorder or registrar of titles within one year after the last day of the redemption period of the mortgagor, the mortgagor's personal representatives, or assigns. This subdivision shall not affect any action or proceeding pending on August 1, 2005, or which is commenced before February 1, 2006, in any court of this state, provided a notice of lis pendens of the action is filed with the county recorder or registrar of titles before February 1, 2006.

Sec. 4. Minnesota Statutes 2008, section 580.06, is amended to read:

580.06 SALE, HOW AND BY WHOM MADE; NOTICE TO MORTGAGOR.

Subdivision 1. **Requirements for sale.** The sale shall be made by the sheriff or the sheriff's deputy at public venue to the highest bidder, in the county in which the premises to be sold, or some part thereof, are situated, between 9:00 a.m. and 4:00 p.m.

Subd. 2. **Notice of results of sale required; contents.** (a) Except as provided in paragraph (c), a person attempting to acquire fee title to the mortgagor's property from the mortgagor following the sheriff's sale and prior to the end of the redemption period, must provide to the mortgagor, by personal delivery three days prior to entering into an agreement to acquire title, notice of the results of the foreclosure as provided under paragraph (b).

(b) The notice required under paragraph (a) must contain the following information:

(1) the date the sale occurred;

(2) the identity of the purchaser and any assignees of the purchaser;

(3) the sheriff's sale price; and

(4) the following statement: "There are very important things you need to know now that your house has been auctioned at the sheriff's sale:

(i) you have (insert the number of months) to "redeem," which means to pay the winning bidder the sale price listed above (plus interest and costs) and keep your house;

(ii) whether you can pay off the amount or not, **YOU DO NOT HAVE TO MOVE RIGHT AWAY. YOU CAN KEEP LIVING IN YOUR HOME** until the end of this redemption period;

(iii) read all notices and documents related to the foreclosure of your home carefully!! **THE AMOUNT YOU NEED TO PAY THE WINNING BIDDER TO REDEEM YOUR HOUSE (THE SHERIFF'S SALE PRICE LISTED ABOVE PLUS INTEREST AND COSTS) MAY BE LESS THAN THE AMOUNT YOU OWED ON YOUR MORTGAGE BEFORE THE SHERIFF'S SALE;** and

(iv) you can also try to sell your home during this "redemption period." You must sell it for enough to pay off the winning bidder from the sheriff's sale and pay any recorded liens, fines, or fees that have built up. A lien is a legal claim that someone has put on your property because you owe them money. A recorded lien means that it has been filed with the county as a public document. For example, if you owe on a second mortgage or to a contractor, there could be a recorded lien against the property. You can also enter into a "short sale" where the lender accepts less than the full amount you owe on the mortgage.

If there is any money left from the sale of the house after all these debts are paid, you can keep the money.

For more information and advice, contact an attorney or a mortgage foreclosure prevention counselor. You can find a mortgage foreclosure prevention counselor in your county by calling the Minnesota Home Ownership Center at 651-659-9336 or 866-462-6466 or www.hocmn.org."

(c) This subdivision does not apply to:

(1) a seller or buyer who has entered into a signed agency agreement, facilitator agreement, or other written agreement to buy or sell the mortgagor's property with a person licensed under chapter 82;

(2) a buyer who offers to buy the mortgagor's property for a purchase price that meets or exceeds the amount required to be paid by the mortgagor to redeem the property;

(3) a foreclosing lender acquiring the mortgagor's property by a deed in lieu of foreclosure;

(4) a nonprofit lender holding a certificate of exemption from the Department of Commerce;

(5) the state or a local unit of government or an agent of the state or a local unit of government; or

(6) a natural person who shows by affidavit that the natural person is not in the business of acquiring fee title to mortgaged property following the sheriff's sale and has a prior personal relationship with the foreclosed homeowner. An affidavit recorded in the real estate records to that effect is prima facie evidence that the person is not in the business of acquiring fee title to mortgaged property following the sheriff's sale and has a prior personal relationship with the foreclosed homeowner.

Subd. 3. **Private right of action.** (a) Any person who violates subdivision 2 is liable to the mortgagor for the sum of:

(1) actual, incidental, and consequential damages;

(2) \$1,000 statutory damages; and

(3) costs, disbursements, and reasonable attorney fees.

(b) It shall be a rebuttable presumption that a person has complied with subdivision 2 if the person has recorded with the county recorder or registrar of titles an affidavit by a person having knowledge of the facts, stating that the mortgagor received the notice required under subdivision 2. The affidavit and a certified copy of a recorded affidavit shall be prima facie evidence of the facts stated in the affidavit.

Sec. 5. Minnesota Statutes 2008, section 580.30, subdivision 1, is amended to read:

Subdivision 1. **Reinstatement.** In any proceedings for the foreclosure of a real estate mortgage, whether by action or by advertisement, if at any time before the sale of the premises under such foreclosure the mortgagor, the owner, or any holder of any subsequent encumbrance or lien, or any one for them, shall pay or cause to be paid to the holder of the mortgage so being foreclosed, or to the attorney foreclosing the same, or to the sheriff of the county, the amount actually due thereon and constituting the default actually existing in the conditions of the mortgage at the time of the commencement of the foreclosure proceedings, including insurance, delinquent taxes, if any, upon the premises, interest to date of payment, cost of publication and services of process or notices, attorney's fees not exceeding \$150 or one-half of the attorney's fees authorized by section 582.01, whichever is greater, any costs incurred when an order to reduce a mortgagor's redemption period under section 582.032 is entered, including costs and disbursements awarded under section 582.032, subdivision 9, together with other lawful disbursements necessarily incurred in connection with the proceedings by the party foreclosing, then, and in that event, the mortgage shall be fully reinstated and further proceedings in such foreclosure shall be thereupon abandoned.

Sec. 6. Minnesota Statutes 2008, section 582.03, subdivision 1, is amended to read:

Subdivision 1. **Allowable costs collectable upon redemption.** The holder of any sheriff's certificate of sale, from a foreclosure by advertisement or action of a mortgage or lien or execution, or the holder of any certificate of redemption as a junior creditor during the period of redemption, may pay and claim the following on redemption: any taxes or assessments on which any penalty would otherwise accrue, and any costs of a hazard insurance policy for the holder's interest in the mortgaged premises incurred for the period of holding the sheriff's certificate, any costs incurred when an order to reduce a mortgagor's redemption period under section 582.032 is entered, including costs and disbursements awarded under section 582.032, subdivision 9, any fees paid to the county recorder, registrar of titles, or sheriff to obtain or record the certificates of sale or redemption or notices of intention to redeem, any reasonable fees paid to licensed real estate brokers for broker price opinions or to licensed appraisers for appraisals, any deed tax paid to file a certificate of redemption, reasonable attorney fees incurred after the foreclosure sale not to exceed one-half of the amount authorized by section 582.01, any costs incurred under section 582.031, and any interest or installment of principal upon any prior or superior mortgage, lien, or contract for deed

in default or that becomes due during the period of redemption. In all such cases, the costs so paid and claimed due, with interest, shall be a part of the sum required to be paid to redeem from such sale. No other costs, fees, interest, or other amount may be added to the amount necessary to redeem.

Sec. 7. Minnesota Statutes 2008, section 582.032, is amended by adding a subdivision to read:

Subd. 9. Costs. Upon motion of a political subdivision that initiated a proceeding under subdivision 4 or intervened under subdivision 5, if an order is entered to reduce the redemption period to five weeks, the court shall award costs and disbursements to the political subdivision. The party foreclosing the mortgage or holding the sheriff's certificate of sale is liable for an award under this subdivision but may recover these amounts upon reinstatement or redemption as provided in section 580.30, subdivision 1, or 582.03, subdivision 1.

Sec. 8. **EXPIRATION.**

Section 5 expires December 31, 2012."

Delete the title and insert:

"A bill for an act relating to mortgages; amending notice requirements during foreclosure; providing for certain costs and disbursements; amending Minnesota Statutes 2008, sections 580.03; 580.041, as amended; 580.06; 580.30, subdivision 1; 582.03, subdivision 1; 582.032, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 580.04."

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

The report was adopted.

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

H. F. No. 2927, A bill for an act relating to health; providing administrative simplification by adding a health care clearinghouse for health care provider transactions; amending Minnesota Statutes 2008, sections 62J.51, by adding subdivisions; 62J.536, subdivisions 1, 2b, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, after line 7, insert:

"A health care clearinghouse acts as an agent of a health care provider or group purchaser only if it enters into an explicit, mutually agreed upon arrangement or contract with the provider or group purchaser to perform specific clearinghouse functions."

Page 3, line 17, strike "(d)" and insert "(e)"

Page 8, line 27, delete everything after "provider" and insert ", provider's agent, group purchaser, or group purchaser's agent on the provider's or group purchaser's"

Page 9, after line 7, insert:

"Sec. 7. **NONSUBMISSION OF HEALTH CARE CLAIM BY CLEARINGHOUSE; SIGNIFICANT DISRUPTION.**

A situation shall be considered a significant disruption to normal operations that materially affects the provider's or facility's ability to conduct business in a normal manner and to submit claims on a timely basis under Minnesota Statutes, section 62Q.75, if:

(1) a clearinghouse loses, or otherwise does not submit, a health care claim as required by Minnesota Statutes, section 62J.536; and

(2) the provider or facility can substantiate that it submitted a complete claim to the clearinghouse within provisions stated in contract or six months of the date of service, whichever is less.

This section expires January 1, 2012."

Renumber the sections in sequence and correct the internal references

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

The report was adopted.

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

H. F. No. 2957, A bill for an act relating to natural resources; exempting watercraft, off-highway vehicles, and snowmobiles that are owned by Indian tribal governments from registration or licensing; amending Minnesota Statutes 2008, sections 84.788, subdivision 2; 84.798, subdivision 2; 84.82, subdivision 6; 84.8205, subdivision 1; 86B.301, subdivision 2; Minnesota Statutes 2009 Supplement, section 84.922, subdivision 1a.

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

The report was adopted.

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

H. F. No. 3042, A bill for an act relating to health; regulating participating provider agreements between health plan companies and health care providers; amending Minnesota Statutes 2008, sections 62Q.735, by adding subdivisions; 62Q.75, subdivision 3, by adding a subdivision; 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. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 4. **Contract amendment and renewal provisions.** (a) A health plan company shall not require a provider to provide notice of intention to terminate its contract before communicating with the provider regarding contract renewals. A health plan company shall not communicate with members until final termination notice is received from the provider, consistent with the requirements described in section 62D.08, subdivision 5.

(b) A health plan company shall not preclude a nonnetwork provider from subsequent network participation solely as a result of the provider having terminated its participation in accordance with the terms of its contract.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 2. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 5. **Fee schedules.** A health plan company shall provide, upon request, any additional fees relevant to the particular provider's practice beyond those provided with the renewal documents for the next contract year to all participating providers, excluding claims paid under the pharmacy benefit. Health plan companies may fulfill the requirements of this section by making the full fee schedules available through a secure Web portal for contracted providers.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 3. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 6. **Reimbursement tiering methodologies.** Where health plan company reimbursement is related to tiering of providers, the health plan company shall provide to any tiered providers upon request an explanation of the methodology used to calculate tier ranking, including information on cost and quality. This explanation does not allow any provider access to proprietary or trade secret information. When a tiered product is used by a health plan, the health plan company shall provide notification to the provider of the tier in which the provider is included prior to the effective date of the tiered product.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 4. Minnesota Statutes 2008, section 62Q.75, subdivision 3, is amended to read:

Subd. 3. **Claims filing.** Unless otherwise provided by contract, by section 16A.124, subdivision 4a, or by federal law, the health care providers and facilities specified in subdivision 2 must submit their charges to a health plan company or third-party administrator within six months from the date of service or the date the health care provider knew or was informed of the correct name and address of the responsible health plan company or third-party administrator, whichever is later. A health care provider or facility that does not make an initial submission of charges within the six-month period shall not be reimbursed for the charge and may not collect the charge from the recipient of the service or any other payer. The six-month submission requirement may be extended to 12 months in cases where a health care provider or facility specified in subdivision 2 has determined and can substantiate that it has experienced a significant disruption to normal operations that materially affects the ability to conduct business in a normal manner and to submit claims on a timely basis. Any request by a health care provider or facility specified in subdivision 2 for an exception to a contractually defined claims submission timeline must be reviewed and acted upon by the health plan company within the same time frame as the contractually agreed upon claims filing timeline. This subdivision also applies to all health care providers and facilities that submit charges to workers' compensation payers for treatment of a workers' compensation injury compensable under chapter 176, or to reparation obligors for treatment of an injury compensable under chapter 65B.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 5. Minnesota Statutes 2008, section 62Q.75, is amended by adding a subdivision to read:

Subd. 4. **Claims adjustment timeline.** (a) Once a clean claim, as defined in section 62Q.75, subdivision 1, has been paid, the contract must provide a 12-month deadline on all adjustments to and recoupments of the payment with the exception of payments related to coordination of benefits, subrogation, duplicate claims, retroactive terminations, and cases of fraud and abuse.

(b) Paragraph (a) shall not apply to pharmacy contracts entered into between or on behalf of health plan companies.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to contracts entered into, renewed, or amended on or after that date."

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3055, A bill for an act relating to human services; making changes to the State-County Results, Accountability, and Service Delivery Redesign Act; specifying public employee status for service delivery units; amending Minnesota Statutes 2008, section 179A.03, subdivision 15; Minnesota Statutes 2009 Supplement, sections 402A.01; 402A.10, subdivision 5; 402A.15; 402A.18; 402A.20; proposing coding for new law in Minnesota Statutes, chapters 179A; 402A; repealing Minnesota Statutes 2009 Supplement, sections 402A.30; 402A.45.

Reported the same back with the following amendments:

Pages 1 to 2, delete sections 1 and 2

Page 10, after line 18, insert:

"(b) This paragraph only applies when a group of employees represented under a collective bargaining agreement is transferred from county to service delivery authority funding. A service delivery authority may not be established until the affected parties have presented an agreement as required under this paragraph. The county or consortium of counties proposing to establish a service delivery authority, together with exclusive representatives of affected employees, must present to the council and the commissioner a written agreement relating to those employees who are proposed to be transferred from county employment to working for a service delivery authority as the public employer, and expressing agreement on the following topics:

(1) the proposed bargaining units for the new service delivery authority, and a proposal for recognition of exclusive representatives of those bargaining units;

(2) a proposed collective bargaining agreement which will be implemented upon the formation of the service delivery authority and that will establish terms and conditions of employment for represented employees of the service delivery authority, pending negotiation of a future agreement; and

(3) an agreement that county employees whose work is to be transferred to the service delivery authority and whose positions are needed by the service delivery authority to perform this work, and who meet the minimum qualifications for positions with the service delivery authority will become employees of the service delivery authority."

Page 10, line 19, delete "(b)" and insert "(c)"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before "amending"

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. 3117, A bill for an act relating to transportation; regulating contracts; prohibiting indemnification provisions; proposing coding for new law in Minnesota Statutes, chapter 221.

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

The report was adopted.

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

H. F. No. 3124, A bill for an act relating to game and fish; modifying aquaculture provisions; modifying provisions for taking, possessing, and transporting wild animals; modifying requirements for fish and wildlife management plans; modifying game and fish license provisions; amending Minnesota Statutes 2008, sections 17.4982, subdivision 12, by adding a subdivision; 17.4991, subdivision 3; 17.4994; 84.942, subdivision 1; 84D.03, subdivision 3; 97A.015, subdivision 52; 97A.101, subdivision 3; 97A.311, subdivision 5; 97A.405, subdivision 2; 97A.421, subdivision 4a; 97A.433, by adding a subdivision; 97A.435, subdivisions 1, 4; 97A.502; 97A.535, subdivision 2a; 97A.545, subdivision 5; 97B.022, subdivision 2; 97B.031, subdivision 5; 97B.075; 97B.106, subdivision 1; 97B.325; 97B.405; 97B.515, by adding a subdivision; 97B.911; 97B.915; 97B.921; 97B.925; 97C.005, subdivision 3; 97C.087, subdivision 2; 97C.205; 97C.315, subdivision 1; 97C.341; Minnesota Statutes 2009 Supplement, sections 84.95, subdivision 2; 97A.445, subdivision 1a; 97B.055, subdivision 3; 97B.811, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 17; 97B; 348; repealing Minnesota Statutes 2008, sections 84.942, subdivisions 2, 3, 4; 97A.435, subdivision 5; 97B.511; 97B.515, subdivision 3; 97B.811, subdivision 4.

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. 3137, A bill for an act relating to public safety; requiring chemical use screen of juvenile offenders; amending Minnesota Statutes 2008, sections 260B.157, subdivision 1; 260B.176, subdivision 2.

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

The report was adopted.

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

H. F. No. 3147, 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.

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

The report was adopted.

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

H. F. No. 3190, A bill for an act relating to natural resources; modifying off-highway vehicle seasons; modifying off-highway vehicle youth operation requirements; modifying nonresident all-terrain vehicle state trail pass; amending Minnesota Statutes 2008, sections 84.777, subdivision 2; 84.9256, subdivision 1; Minnesota Statutes 2009 Supplement, sections 84.793, subdivision 1; 84.9275, subdivision 1.

Reported the same back with the following amendments:

Page 4, after line 18, insert:

"Sec. 5. Minnesota Statutes 2008, section 84.928, subdivision 5, is amended to read:

Subd. 5. **Organized contests, use of highways and public lands and waters.** (a) Nothing in this section or chapter 169 prohibits the use of all-terrain vehicles within the right-of-way of a state trunk or county state-aid highway or upon public lands or waters under the jurisdiction of the commissioner of natural resources, in an organized contest or event, subject to the consent of the official or board having jurisdiction over the highway or public lands or waters.

(b) In permitting the contest or event, the official or board having jurisdiction may prescribe restrictions or conditions as they may deem advisable.

(c) Notwithstanding section 84.9256, subdivision 1, paragraph (b), a person under 12 years of age may operate an all-terrain vehicle in an organized contest on public lands or waters, if the all-terrain vehicle has an engine capacity of 90cc or less, the person complies with section 84.9256, subdivision 1, paragraph (h), and the person is supervised by a person 18 years of age or older."

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3318, A bill for an act relating to judiciary; enacting the Uniform Unsworn Foreign Declarations Act proposed for adoption by the National Conference of Commissioners on Uniform State Laws; providing for penalties; amending Minnesota Statutes 2008, section 609.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 358.

Reported the same back with the following amendments:

Page 2, delete lines 19 to 21, and insert:

"(4) a document intended for recording in the real estate records in the office of the county recorder or registrar of titles; or"

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

The report was adopted.

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

H. F. No. 3386, A bill for an act relating to real property; requiring performance guidelines for certain residential contracts; modifying statutory warranties; requiring notice and opportunity to repair; providing for dispute resolution procedures; amending Minnesota Statutes 2008, sections 326B.809; 327A.01, subdivision 7, by adding a subdivision; 327A.02, subdivision 4, by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 302A.781, subdivision 4, is amended to read:

Subd. 4. **Statutory homeowner warranty claims preserved.** The statutory warranties provided under section 327A.02 are not affected by ~~a the dissolution under this chapter of a vendor or home improvement contractor that is a corporation or limited liability company.~~

Sec. 2. Minnesota Statutes 2008, section 326B.809, is amended to read:

326B.809 WRITTEN CONTRACT REQUIRED.

(a) All agreements including proposals, estimates, bids, quotations, contracts, purchase orders, and change orders between a licensee and a customer for the performance of a licensee's services must be in writing and must contain the following:

- (1) a detailed summary of the services to be performed;
- (2) a description of the specific materials to be used or a list of standard features to be included; and
- (3) the total contract price or a description of the basis on which the price will be calculated.

(b) Before entering into an agreement, the licensee shall provide a prospective customer with written performance guidelines for the services to be performed. Performance guidelines also must be included or incorporated by reference in the agreement. All agreements shall be signed and dated by the licensee and customer.

(c) The licensee shall provide to the customer, at no charge, a signed and dated document at the time that the licensee and customer sign and date the document. Documents include agreements, performance guidelines, and mechanic's lien waivers.

Sec. 3. Minnesota Statutes 2008, section 327A.01, is amended by adding a subdivision to read:

Subd. 12. **Inspection.** "Inspection" means a visual or invasive examination of the alleged property damage.

Sec. 4. Minnesota Statutes 2008, section 327A.02, subdivision 4, is amended to read:

Subd. 4. **Response from vendor or home improvement contractor to notice of claim; right to inspect.** (a) ~~Following notice under section 327A.03, The vendee or owner must allow an inspection and opportunity to for purposes of the preparation of an offer to repair the known alleged loss or damage under subdivision 5. Upon request of the vendee, a court may order the vendor to conduct the inspection. The inspection must be performed and any offer to repair must be made in writing to the vendee by the vendor or home improvement contractor within 30 days of the vendor's receipt of the written notice required under section 327A.03, clause (a), alleging loss or damage the notification under section 327A.03, clause (a). Any damage to property caused as a result of an inspection must be promptly repaired by the inspecting party to restore the property to its pre-inspected condition.~~

(b) The applicable statute of limitations and statute of repose for an action based on breach of a warranty imposed by section 327A.02, or any other action in contract, tort, or other law for any injury to real or personal property or bodily injury or wrongful death arising out of the alleged loss or damage, is tolled from the date the written notice provided by the vendee or owner is postmarked, or if not sent through the mail, received by the vendor or home improvement contractor until the ~~earliest~~ latest of the following:

(1) the date ~~the vendee rejects the vendor's offer to repair~~ of completion of the home warranty dispute resolution process under section 327A.051; or

(2) the date the vendor rejects the vendee's claim in writing;

(3) failure by the vendor to make an offer to repair within the 30-day period described in this subdivision; or

(4) 180 days.

~~For purposes of this subdivision, "vendor" includes a home improvement contractor.~~

~~(c)~~ (c) Upon completion of repairs as described in an offer to repair, the vendor must provide the vendee with a list of the repairs made and a notice that the vendee may have a right to pursue a warranty claim under this chapter. Provision of this statement is not an admission of liability. Compliance with this subdivision does not affect any rights of the vendee under this chapter.

Sec. 5. Minnesota Statutes 2008, section 327A.02, is amended by adding a subdivision to read:

Subd. 5. **Right to repair; agreement.** (a) Within 15 days of completion of the inspection required by subdivision 4, the vendor or home improvement contractor must provide to the vendee or owner a written offer to repair. The offer to repair must include, at a minimum:

(1) the scope of the proposed repair work; and

(2) the proposed date on which the repair work would begin and the estimated date of completion.

(b) This subdivision does not prevent the vendee or owner from obtaining the information in paragraph (a) from another contractor or from negotiating with the vendor or home improvement contractor for a different scope of work.

(c) If the parties agree to a scope of work, the vendor or home improvement contractor must perform the repair work in accordance with the offer to repair. If the parties do not agree to a scope of work, the vendee or owner must submit the matter to the homeowner warranty dispute resolution process under section 327A.051.

(d) Upon completion of repairs described in an offer to repair, the vendor or home improvement contractor must provide the vendee or owner with a written notice that the scope of the work agreed upon has been completed.

Sec. 6. Minnesota Statutes 2008, section 327A.02, is amended by adding a subdivision to read:

Subd. 6. **Failure to perform inspection or repair.** If the vendor or home improvement contractor fails to perform an inspection under subdivision 4 or fails to make an offer to repair or perform agreed upon repairs under subdivision 5, the vendee or owner may commence an action.

Sec. 7. Minnesota Statutes 2008, section 327A.02, is amended by adding a subdivision to read:

Subd. 7. **Processes required before commencement of action.** Except as provided in subdivision 6, a cause of action for which the statute of limitations or statute of repose is tolled under subdivision 4, paragraph (b), must not be commenced until the earlier of:

(1) the completion of the home warranty dispute resolution process under section 327A.051; or

(2) 60 days after the written offer of repair is provided to the vendee or owner.

Sec. 8. Minnesota Statutes 2008, section 327A.03, is amended to read:

327A.03 EXCLUSIONS.

The liability of the vendor or the home improvement contractor under sections 327A.01 to 327A.07 is limited to the specific items set forth in sections 327A.01 to 327A.07 and does not extend to the following:

(a) loss or damage not reported by the vendee or the owner to the vendor or the home improvement contractor in writing within six months after the vendee or the owner discovers or should have discovered the loss or damage; unless the vendee or owner establishes by fact that the vendor or home improvement contractor had actual notice of the loss or damage;

(b) loss or damage caused by defects in design, installation, or materials which the vendee or the owner supplied, installed, or directed to be installed;

(c) secondary loss or damage such as personal injury or property damage;

(d) loss or damage from normal wear and tear;

(e) loss or damage from normal shrinkage caused by drying of the dwelling or the home improvement within tolerances of building standards;

(f) loss or damage from dampness and condensation due to insufficient ventilation after occupancy;

(g) loss or damage from negligence, improper maintenance or alteration of the dwelling or the home improvement by parties other than the vendor or the home improvement contractor;

(h) loss or damage from changes in grading of the ground around the dwelling or the home improvement by parties other than the vendor or the home improvement contractor;

(i) landscaping or insect loss or damage;

(j) loss or damage from failure to maintain the dwelling or the home improvement in good repair;

(k) loss or damage which the vendee or the owner, whenever feasible, has not taken timely action to minimize;

(l) loss or damage which occurs after the dwelling or the home improvement is no longer used primarily as a residence;

(m) accidental loss or damage usually described as acts of God, including, but not limited to: fire, explosion, smoke, water escape, windstorm, hail or lightning, falling trees, aircraft and vehicles, flood, and earthquake, except when the loss or damage is caused by failure to comply with building standards;

(n) loss or damage from soil movement which is compensated by legislation or covered by insurance;

(o) loss or damage due to soil conditions where construction is done upon lands owned by the vendee or the owner and obtained by the vendee or owner from a source independent of the vendor or the home improvement contractor;

(p) in the case of home improvement work, loss or damage due to defects in the existing structure and systems not caused by the home improvement.

Sec. 9. [327A.051] HOME WARRANTY DISPUTE RESOLUTION.

Subdivision 1. Panel of neutrals. (a) The commissioner of labor and industry shall maintain a list of persons who consent to serve as qualified neutrals for purposes of this section. The commissioner shall establish application requirements and qualifications for qualified neutrals, taking into consideration the education, experience, and training of the applicant, potential conflicts of interest, and that the purpose of the process is to assist parties in determining an agreeable scope of repair or other resolution of their dispute.

(b) As a condition of being included on the panel of neutrals identified in this section, the commissioner of labor and industry may charge each qualified neutral a fee of \$200 per year for the administration of the home warranty dispute resolution process.

Subd. 2. Dispute resolution process. (a) The home dispute resolution process required by this section is commenced by written application to the commissioner. A request must include the complete current address and full name of the contact person for each participating party.

(b) Within ten days of receiving a written request, the commissioner shall provide each party with a written list of three qualified neutrals randomly selected from the panel of neutrals established under subdivision 1. The commissioner shall also provide complete contact information for each qualified neutral.

(c) Within five business days after receipt of the list from the commissioner, the parties shall mutually select one of the three qualified neutrals identified by the commissioner to serve as the qualified neutral for their dispute. If the parties cannot mutually agree on a neutral, the vendor or home improvement contractor shall strike one of the neutrals from the list, the vendee or owner shall subsequently strike one of the remaining neutrals from the list, and the remaining neutral shall serve as the qualified neutral for the dispute resolution process. The parties shall notify the selected qualified neutral and the commissioner of the selection.

Subd. 3. **Neutral evaluation; fee.** (a) The qualified neutral selected by the parties shall convene, and each party shall attend, an in-person conference of the parties. The qualified neutral shall select the date for the conference after consulting the parties. The conference must occur no later than 30 days after the neutral's selection, except by mutual agreement of the parties. In addition, the neutral shall collect from each party an administrative fee of \$25 and shall submit those fees to the commissioner no later than ten days after the completion of the conference.

(b) At least seven days before the conference, each party must provide the qualified neutral and the other party with all information and documentation necessary to understanding the dispute, or the alleged loss or damages.

(c) After reviewing the information and documentation provided by the parties and after consulting with the parties at the conference, the neutral shall issue to the parties a nonbinding, written determination, which must include, to the extent possible, findings and recommendations on the scope and amount of repairs necessary, if any. The qualified neutral shall mail the determination to each party within ten days after the conference.

(d) The parties shall share the expense of the qualified neutral's billed time equally, unless otherwise agreed. The neutral's billed time for evaluation of documents, meeting with the parties, and issuing a written determination must not exceed six hours, unless agreed to in writing by both parties. The neutral must identify the neutral's hourly rate to the parties.

Subd. 4. **Alternative process.** If both parties agree, the parties may designate an alternative dispute resolution process in lieu of participating in the home warranty dispute resolution process established by this section. If the parties agree to an alternative dispute resolution process, they shall provide written notice of the agreement and a description of the selected process to the commissioner as soon as practicable, but no later than the date the parties are required to select a neutral under subdivision 2.

Subd. 5. **Effect on future proceedings.** (a) The written determination issued by the qualified neutral and all communications relating to the home warranty dispute resolution process, except those between any party and the commissioner, are deemed confidential settlement communications pursuant to Rule 408 of the Minnesota Rules of Civil Procedure.

(b) No party may use the written offer of repair provided by a vendor or home improvement contractor, a counter-offer to repair, or a written determination issued by the qualified neutral as evidence of liability in subsequent litigation between the parties. The qualified neutral may not be called to testify regarding the dispute resolution proceedings.

(c) Any amount paid by a party for the services of a qualified neutral under this section is deemed a taxable cost of the prevailing party in a subsequent litigation involving the same subject matter.

Subd. 6. **Noncompliance with timelines; effect.** Failure to strictly comply with the timelines shall not be grounds for dismissal of any claim brought under section 327.05, provided that the parties can establish good faith effort in complying with this section.

Sec. 10. **REPORT.**

By February 1, 2014, the commissioner of labor and industry shall report to the chairs and ranking minority members of the committees of the legislature with jurisdiction over civil law matters on the number of dispute resolution cases established under Minnesota Statutes, section 327A.051, and, to the extent possible, identify the number of cases that used the home warranty dispute process and the number that used an alternative dispute resolution process under subdivision 4 of that section.

Sec. 11. **EFFECTIVE DATE; APPLICATION.**

Sections 1 to 9 are effective January 1, 2011, and apply to notices of claims given and actions commenced on or after that date.

Sections 1 to 9 do not revive claims already barred."

Amend the title as follows:

Page 1, line 4, after the second semicolon, insert "requiring a report;"

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

The report was adopted.

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

H. F. No. 3389, A bill for an act relating to economic development; creating the Minnesota Science and Technology Authority; appropriating money; amending Laws 2009, chapter 78, article 1, section 3, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 116W; repealing Minnesota Statutes 2008, section 116J.657.

Reported the same back with the following amendments:

Page 1, line 23, delete "board" and insert "commission" and delete "board" and insert "commission" and delete "board" and insert "commission"

Page 2, line 8, after the period, insert "The commissioner of employment and economic development shall convene the first meeting of the authority no later than July 1, 2010."

Page 2, after line 34, insert:

"Subd. 7. **Expiration.** The authority is permanent and the provisions of section 15.059, subdivision 5, do not apply."

Page 3, after line 11, insert:

"(5) provide grants or other forms of financial assistance to eligible recipients for purposes of this chapter;"

Page 3, line 12, delete "(5)" and insert "(6)"

Page 3, line 15, delete "(6)" and insert "(7)"

Page 4, line 9, delete "January 15" and insert "February 1"

Page 4, delete lines 10 and 11 and insert "the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over finance and economic"

Page 5, line 11, after the period, insert "Grants approved by the executive director must be reviewed by the authority each month."

Page 5, line 13, after "if" insert "there are not sufficient funds available or if"

Page 5, line 19, delete "BOARD" and insert "COMMISSION"

Page 5, delete lines 20 to 33 and insert:

"Subdivision 1. **Advisory commission membership.** A Science and Technology Initiative Advisory Commission of 17 members is established and is comprised of:

(1) two representatives of the University of Minnesota, selected by the president of the university, including a faculty member actively involved in science and technology research;

(2) a representative of Minnesota State Colleges and Universities, selected by the chancellor;

(3) the chief executive officer of the Mayo Clinic or a designee;

(4) six chief executive officers or designees from science-oriented or technology-oriented companies;

(5) four representatives from science-oriented and technology-oriented organizations;

(6) one representative of organized labor;

(7) a venture capital representative; and

(8) a representative of angel investors.

A member must have experience in science or technology in order to serve on the commission.

Members of the commission listed in clauses (4) to (8) shall be appointed by the authority."

Page 5, line 34, delete "board" and insert "commission" and delete "board" and insert "commission"

Page 6, line 1, delete "legislature" and insert "chairs and ranking minority members of the legislative committees and divisions with jurisdiction over economic development"

Page 6, line 5, delete "board" and insert "commission"

Page 6, line 7, delete "board" and insert "commission" and delete "board" and insert "commission"

Page 6, line 11, after the period, insert "The compensation required under this section must be paid by the authority."

Page 6, lines 12, 14, and 15, delete "board" and insert "commission"

Page 6, line 13, after "director" insert "of the authority"

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. 3475, A bill for an act relating to education; creating an independent agency to oversee the management of Minnesota's permanent school fund lands; amending Minnesota Statutes 2008, sections 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.12, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; Minnesota Statutes 2009 Supplement, section 16A.06, subdivision 11; proposing coding for new law as Minnesota Statutes, chapter 128E.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 16A.06, subdivision 11, is amended to read:

Subd. 11. **Permanent school fund reporting.** The commissioner shall annually report to the Board of Trustees of the Permanent School Trust Lands Administration, the Permanent School Fund Advisory Committee, and the legislature the amount of the permanent school fund transfer and information about the investment of the permanent school fund provided by the State Board of Investment. The State Board of Investment shall provide information about how they maximized the long-term economic return of the permanent school fund.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 2. Minnesota Statutes 2008, section 16A.125, subdivision 5, is amended to read:

Subd. 5. **Forest trust lands.** (a) The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the Constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

(b) The commissioner of management and budget shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

(c) After a fiscal year, the commissioner of management and budget shall certify the total costs incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources and the director of the Permanent School Trust Lands Administration shall supply the commissioner of management and budget with the information needed for the certificate.

(d) After a fiscal year, the commissioner shall apportion the receipts and distribute the receipts credited to the suspense account during that fiscal year as follows:

(1) the amount of the certified costs incurred by the ~~state~~ Department of Natural Resources for forest management, forest improvement, and road improvement during the fiscal year shall be transferred to the forest management investment account established under section 89.039, and the portion of the certified costs incurred by the Permanent School Trust Lands Administration must be transferred to that agency's investment account;

(2) the balance of the certified costs incurred by the ~~state~~ Department of Natural Resources during the fiscal year shall be transferred to the general fund; and

(3) the balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 3. Minnesota Statutes 2008, section 84.027, subdivision 18, is amended to read:

Subd. 18. **Permanent school fund authority; reporting.** ~~The commissioner of natural resources~~ director of the Permanent School Trust Lands Administration has the authority and responsibility for the administration of school trust lands under sections 92.121 and 127A.31. ~~The commissioner~~ director shall biannually report to the Permanent School Fund Advisory Committee and the legislature on the management of the school trust lands that shows how ~~the commissioner~~ director has and will continue to achieve the following goals:

(1) manage the school trust lands efficiently;

(2) reduce the management expenditures of school trust lands and maximize the revenues deposited in the permanent school trust fund;

(3) manage the sale, exchange, and commercial leasing of school trust lands to maximize the revenues deposited in the permanent school trust fund and retain the value from the long-term appreciation of the school trust lands; and

(4) manage the school trust lands to maximize the long-term economic return for the permanent school trust fund while maintaining sound natural resource conservation and management principles.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 4. Minnesota Statutes 2008, section 84.085, subdivision 1, is amended to read:

Subdivision 1. **Authority.** (a) The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.

(b) When the commissioner of natural resources accepts lands or interests in land, the commissioner may reimburse the donor for costs incurred to obtain an appraisal needed for tax reporting purposes. If the state pays the donor for a portion of the value of the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$1,500. If the donor receives no payment from the state for the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$5,000.

(c) The commissioner of natural resources, on behalf of the state, may accept and use grants of money or property from the United States or other grantors for conservation purposes not inconsistent with the laws of this state. Any money or property so received is hereby appropriated and dedicated for the purposes for which it is granted, and shall be expended or used solely for such purposes in accordance with the federal laws and regulations pertaining thereto, subject to applicable state laws and rules as to manner of expenditure or use providing that the commissioner may make subgrants of any money received to other agencies, units of local government, private individuals, private organizations, and private nonprofit corporations. Appropriate funds and accounts shall be maintained by the commissioner of management and budget to secure compliance with this section.

~~(d) The commissioner may accept for and on behalf of the permanent school fund a donation of lands, interest in lands, or improvements on lands. A donation so received shall become state property, be classified as school trust land as defined in section 92.025, and be managed consistent with section 127A.31.~~

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 5. Minnesota Statutes 2008, section 92.12, subdivision 1, is amended to read:

Subdivision 1. **Appraisers.** The director of the Permanent School Trust Lands Administration may have any school trust land appraised. The commissioner may have any ~~school trust or~~ other state lands appraised. The appraisals must be made by regularly appointed and qualified state appraisers. To be qualified, an appraiser must hold a state appraiser license issued by the Department of Commerce. The appraisal must be in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 6. Minnesota Statutes 2008, section 92.121, is amended to read:

92.121 PERMANENT SCHOOL FUND LANDS.

The ~~director of the Permanent School Trust Lands Administration and the~~ commissioner of natural resources shall exchange permanent school fund land as defined in the Minnesota Constitution, article XI, section 8, located in state parks, state recreation areas, wildlife management areas, scientific and natural areas, or state waysides or on lands managed by the commissioner as old growth stands, for other lands as allowed by the Minnesota Constitution, article XI, section 10, and section 94.343, subdivision 1, that are compatible with the goal of the permanent school fund lands in section 127A.31 when, as a result of management practices applied to the permanent school fund lands and associated resources, revenue generation has been diminished or is prohibited and no alternative has been put into effect to compensate the permanent school fund for the income losses.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 7. Minnesota Statutes 2008, section 92.13, is amended to read:

92.13 STATE LANDS, DATE OF SALE.

The commissioner shall hold public sales of ~~school and other~~ state lands other than school lands when it is advantageous to the state and to intending buyers and settlers.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 8. Minnesota Statutes 2008, section 93.2236, is amended to read:

93.2236 MINERALS MANAGEMENT ACCOUNT.

(a) The minerals management account is created as an account in the natural resources fund. Interest earned on money in the account accrues to the account. Money in the account may be spent or distributed only as provided in paragraphs (b) and (c).

(b) If the balance in the minerals management account exceeds \$3,000,000 on June 30, the amount exceeding \$3,000,000 must be distributed to the permanent school fund and the permanent university fund. The amount distributed to each fund must be in the same proportion as the total mineral lease revenue received in the previous biennium from school trust lands and university lands.

(c) Subject to appropriation by the legislature, and approval by the director of the Permanent School Trust Lands Administration, money in the minerals management account may be spent by the commissioner of natural resources for mineral resource management and projects to enhance future mineral income and promote new mineral resource opportunities.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 9. Minnesota Statutes 2008, section 94.342, subdivision 5, is amended to read:

Subd. 5. **Additional restrictions on school trust land.** School trust land may be exchanged with other Class A land only if the ~~Permanent School Fund Advisory Committee is appointed as temporary Board of Trustees of the Permanent School Trust Lands Administration~~ is serving as trustee of the school trust land for purposes of the exchange. The committee shall provide independent legal counsel to review the exchanges.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 10. **[128E.01] CITATION; PERMANENT SCHOOL TRUST LANDS ADMINISTRATION ACT.**

This chapter may be cited as the Permanent School Trust Lands Administration Act.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 11. **[128E.02] POLICY AND PURPOSE.**

(a) The purpose of chapter 128E is to establish an administration and board to manage Minnesota's school trust lands in accordance with the provisions of the Minnesota Constitution, article XI, section 8.

(b) As trustee, the state must manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interests of the trust beneficiaries as defined in the Minnesota Constitution, article XI, section 8.

(c) The trustee must be concerned with both income for the current beneficiaries and the preservation of trust assets for future beneficiaries, which requires a balancing of short-term and long-term interests so that long-term benefits are not lost in an effort to maximize short-term gains.

(d) The beneficiaries do not include other governmental institutions or agencies, the public at large, or the general welfare of this state. This chapter shall be liberally construed to enable the board of trustees, the director, and the administration to faithfully fulfill the state's obligations to the trust beneficiaries.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 12. **[128E.03] DEFINITIONS.**

Subdivision 1. **Administration.** "Administration" means the Permanent School Trust Lands Administration.

Subd. 2. **Board.** "Board" or "board of trustees" means the Permanent School Trust Lands Board of Trustees.

Subd. 3. **Director.** "Director" or "director of the Permanent School Trust Lands Administration" means the chief executive officer of the Permanent School Trust Lands Administration.

Subd. 4. **School trust land.** "School trust land" means land granted by the United States for use of schools within each township, swampland granted to the state, and internal improvement land that are reserved for permanent school fund purposes under the Minnesota Constitution, article XI, section 8, and land exchanged, purchased, or granted to the permanent school fund.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 13. **[128E.04] GOVERNANCE.**

Subdivision 1. **Establishment.** The Permanent School Trust Lands Administration is established. The administration is an independent state agency and not a division of any other department and is not subject to section 16B.37.

Subd. 2. **Management.** The Permanent School Trust Lands Administration shall manage all school trust lands within the state. The administration is managed by a director appointed by a majority vote of the board of trustees. The board of trustees shall provide policies for the management of the administration and for the management of trust lands and assets.

Subd. 3. **Joint ventures.** The Permanent School Trust Lands Administration, upon approval of the board of trustees, may enter into joint ventures to develop trust lands and minerals.

Subd. 4. **Board of trustees membership; nomination list; qualifications; terms; replacement; chair; quorum.** (a) There is established the Permanent School Trust Lands Board of Trustees.

(b) The board shall consist of seven members appointed by the governor with the consent of the senate for six-year terms. Of the initial appointments to the board, the governor shall appoint one member to serve a six-year term, one member to serve a five-year term, one member to serve a four-year term, one member to serve a three-year term, one member to serve a two-year term, and one member to serve a one-year term. All subsequent appointments shall be for a term of six years, except, if a vacancy occurs, the governor shall appoint a replacement to fill the unexpired term.

(c) The governor shall select six of the seven appointees to the board from a nomination list of at least two candidates for each position or vacancy submitted according to subdivision 5. The governor may request an additional nomination list of at least two candidates from the nominating committee if the initial list of candidates for a given position is unacceptable.

(d) The governor may appoint one member without requiring a nomination list. This member serves a six-year term, but may be removed at the pleasure of the governor.

(e) Each board member must possess outstanding professional qualifications pertinent to the purposes and activities of the trust. Qualifications which are pertinent include: renewable and nonrenewable resource management or development, real estate, business, finance, trust administration, asset management, and the practice of law in the areas of natural resources or real estate.

(f) The board of trustees shall select a chair from its membership. The governor or five board members may, for cause, remove a member of the board.

(h) Compensation and reimbursement of expenses for members of the board of trustees is as provided in section 15.0575.

Subd. 5. **Board of trustees nominating committee.** The board of trustees nominating committee consists of 12 members. Six members must be appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate. Six members must be appointed by the speaker of the house. A legislator may not be a member of the committee. Appointing authorities must attempt to appoint members who are knowledgeable about school trust funds issues. Geographical representation must be taken into consideration when making appointments. Membership terms, compensation, and removal of the members are governed by section 15.0575.

Subd. 6. **Information to board.** Board members shall be given access to all administration records and personnel consistent with law and as necessary to permit the board to accomplish its responsibilities to ensure that the administration is in full compliance with applicable policies and law.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 14. **[128E.05] POLICIES.**

Subdivision 1. **Management.** The board shall establish policies for the management of the Permanent School Trust Lands Administration. The policies shall:

- (1) be consistent with the Minnesota Constitution and state law;
- (2) reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;
- (3) require the return of not less than fair market value for the use, sale, or exchange of school trust assets;
- (4) seek to optimize trust land revenues and increase the value of trust land holdings consistent with the balancing of short-term and long-term interests, so that long-term benefits are not lost in an effort to maximize short-term gains; and
- (5) maintain the integrity of the trust and prevent the misapplication of its lands and its revenues.

Subd. 2. **Duties.** The board and the director shall recommend to the governor and the legislature any necessary or desirable changes in statutes relating to the trust or their trust responsibilities. The board shall develop policies for the long-term benefit of the trust utilizing the broad discretion and power granted to it in this chapter.

Subd. 3. **Policies continued unless changed.** Policies adopted by the Department of Natural Resources prior to the effective date of this act regarding school trust lands shall remain in effect until amended or repealed by the board. The administration shall be the named party in substitution of the Department of Natural Resources or its predecessor agencies with respect to all documents affecting trust lands from the effective date of this act.

Subd. 4. **Accept land and property.** The board may accept for and on behalf of the permanent school fund a donation of lands, interest in lands, or improvements on lands. A donation so received shall become state property, be classified as school trust land as defined in section 92.025, and be managed consistent with section 127A.31.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 15. **[128E.06] DIRECTOR.**

Subdivision 1. **Term.** The board shall select the director on the basis of outstanding professional qualifications pertinent to the purposes and activities of the trust. The director serves in the unclassified service at the pleasure of the board.

Subd. 2. **Compensation.** The board shall establish the compensation of the director and annually report the director's compensation to the legislature. The compensation and performance of the director shall be examined each year as part of the board's budget review process. The director's compensation is subject to section 3.855.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 16. **[128E.07] RESPONSIBILITIES OF THE DIRECTOR.**

Subdivision 1. **Duties and budget review.** In carrying out the policies of the board of trustees and in establishing procedures and rules, the director shall:

- (1) take an oath of office before assuming any duties as the director;
- (2) adopt procedures necessary for the proper administration of matters entrusted to the director by state law and board policy;
- (3) faithfully manage the administration under the policies established by the board;
- (4) submit to the board and for public inspection by October 1 of each year an annual management budget and financial plan for operations of the administration and, after approval by the board, submit the budget to the governor;
- (5) direct and control the budget expenditures as finally authorized and appropriated;
- (6) establish job descriptions and employ, within the limitation of the budget, staff necessary to accomplish the purposes of the office;
- (7) establish, in accordance with generally accepted principles of fund accounting, a system to identify and account for the assets and vested interests of each beneficiary;
- (8) maintain appropriate records of trust activities to enable the legislative auditor to conduct periodic audits of trust activities;
- (9) provide that all leases, contracts, and agreements be submitted to legal counsel for review of compliance with applicable law and fiduciary duties prior to execution and utilize the services of the attorney general as provided in section 128E.08;
- (10) keep the board, beneficiaries, governor, legislature, and the public informed about the work of the director and administration by reporting to the board in a public meeting at least once during each calendar quarter; and
- (11) respond in writing within a reasonable time to a request by the board for responses to questions on policies and practices affecting the management of the trust.

Subd. 2. **Additional responsibilities.** The director may:

(1) contract with other public agencies for personnel management services; and

(2) with the approval of the board, enter into joint ventures and other business arrangements consistent with the purposes of the trust.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 17. **[128E.08] ATTORNEY GENERAL.**

(a) The attorney general shall: represent the board, director, or administration in any legal action relating to trust lands except as otherwise provided in paragraph (c); review leases, contracts, and agreements submitted for review prior to execution; and undertake suits for the collection of royalties, rental, and other damages in the name of the state.

(b) The attorney general may institute actions against any party to enforce this chapter or to protect the interests of the trust beneficiaries.

(c) The trust beneficiaries specified in the Minnesota Constitution, article XI, section 8, may bring an action against the board of trustees to ensure that the board of trustees faithfully fulfills the board's obligations to the trust beneficiaries.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 18. **[128E.09] LAND EXCHANGE.**

The director of the Permanent School Trust Lands Administration may enter into land exchange agreements with the commissioner of natural resources according to the provisions of section 92.121.

Sec. 19. **[128E.10] FOREST AND MINERALS MANAGEMENT.**

Subdivision 1. **Control.** All forest and minerals management on school trust lands is vested with the board of the Permanent School Trust Lands Administration according to the provisions of this chapter.

Subd. 2. **May contract.** The administration may contract with any public or private entity to make improvements to or upon trust lands and to carry out any of the responsibilities of the office, so long as the contract requires strict adherence to trust management principles and applicable law, and is subject to immediate suspension or termination for cause.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 20. **TRANSFER OF STAFF AND ASSETS AND BUDGET RESPONSIBILITY.**

All personnel, equipment, and other assets directly associated with the management of the permanent school fund lands are transferred from the Department of Natural Resources and any other state agency to the Permanent School Trust Lands Administration effective July 1, 2013, according to Minnesota Statutes, section 15.039.

EFFECTIVE DATE. This section is effective July 1, 2013."

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

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with House Concurrent Resolution No. 3, H. F. No. 3475 was re-referred to the Committee on Rules and Legislative Administration.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 3477, A bill for an act relating to higher education; requiring notice of changes to administration of financial aid programs; modifying transfer authority for grant programs; amending Laws 2009, chapter 95, article 1, section 3, subdivision 21; proposing coding for new law in Minnesota Statutes, chapter 136A.

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. 3634, 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.

Reported the same back with the following amendments:

Page 1, delete line 10 and insert "health-related licensing board listed in section 214.01, subdivision 2, shall not grant a credential to any person"

Page 1, after line 18, insert:

"Sec. 2. Minnesota Statutes 2008, section 364.09, is amended to read:

364.09 EXCEPTIONS.

(a) This chapter does not apply to the licensing process for peace officers; to law enforcement agencies as defined in section 626.84, subdivision 1, paragraph (f); to fire protection agencies; to eligibility for a private detective or protective agent license; to the licensing and background study process under chapters 245A and 245C; to eligibility for school bus driver endorsements; to eligibility for special transportation service endorsements; to eligibility for a commercial driver training instructor license, which is governed by section 171.35 and rules adopted under that section; to emergency medical services personnel, or to the licensing by political subdivisions of taxicab drivers, if the applicant for the license has been discharged from sentence for a conviction within the ten years immediately preceding application of a violation of any of the following:

- (1) sections 609.185 to 609.21, 609.221 to 609.223, 609.342 to 609.3451, or 617.23, subdivision 2 or 3;
- (2) any provision of chapter 152 that is punishable by a maximum sentence of 15 years or more; or

(3) a violation of chapter 169 or 169A involving driving under the influence, leaving the scene of an accident, or reckless or careless driving.

This chapter also shall not apply to eligibility for juvenile corrections employment, where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district or to eligibility for a license issued or renewed by the Board of Teaching or the commissioner of education.

(c) Nothing in this section precludes the Minnesota Police and Peace Officers Training Board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

(d) This chapter does not apply to a ~~license to practice medicine credential~~ that has been denied or revoked by ~~the Board of Medical Practice pursuant to section 147.091, subdivision 1a~~ any of the health-related licensing boards listed in section 214.01, subdivision 2."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 353, 802, 1671, 1828, 2510, 2634, 3055, 3477 and 3634 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2494, 2946 and 3167 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Juhnke introduced:

H. F. No. 3707, A bill for an act relating to state lottery; directing the lottery to develop a special scratch lottery game to benefit Minnesota veterans, members of the military, and their families; amending Minnesota Statutes 2008, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 349A.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Hackbarth introduced:

H. F. No. 3708, A bill for an act relating to state government; appropriating money and making reductions for environment, natural resources, energy, and commerce; providing for the transfer of funds; modifying requirements for youth hunters; providing for licensing and regulation in mortgage loan origination and mortgage loan business; modifying disposition of certain receipts; modifying continuing education requirements for commerce licenses; modifying regulation of securities; providing for certain electronic transactions; establishing accounts; amending Minnesota Statutes 2008, sections 58.04, subdivision 1; 58.08, by adding a subdivision; 58.09; 58.10, subdivision 1; 58.11; 80A.46; 84.027, subdivision 15; 85.052, subdivision 4; 85.22, subdivision 5; 97A.015, by adding a subdivision; 97A.435, subdivision 2; 97A.445, subdivision 5; 97A.451, subdivision 3; 97A.475, subdivisions 3a, 4, 43, 44; 97B.015, subdivisions 4, 5, 5a, 6, 7; 97B.020; 97B.021, subdivision 1; 97B.022, subdivision 2; 97B.301, subdivisions 3, 6; 97B.601, subdivision 4; 103G.705, subdivision 2; Minnesota Statutes 2009 Supplement, sections 45.30, subdivision 6; 58.06, subdivision 2; 97A.075, subdivisions 1, 5; 97A.441, subdivision 7; 97A.475, subdivisions 2, 3; 357.021, subdivision 7; Laws 2009, chapter 172, article 2, section 5; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; proposing coding for new law as Minnesota Statutes, chapter 58A; repealing Minnesota Statutes 2008, sections 97A.451, subdivisions 3a, 4; 97A.485, subdivision 12; 97B.022, subdivision 1; Minnesota Statutes 2009 Supplement, section 58.126.

The bill was read for the first time and referred to the Committee on Finance.

Huntley; Hosch; Thissen; Murphy, E.; Loeffler; Norton; Gardner; Solberg; Scalze and Ruud introduced:

H. F. No. 3709, A bill for an act relating to health; making conforming and other changes related to federal health care reform; providing funding for health care subsidies; establishing accountable care organizations; establishing a publicly administered health plan; expanding eligibility for medical assistance; repealing the MinnesotaCare program and related taxes; amending Minnesota Statutes 2008, sections 16A.724, by adding a subdivision; 62U.05; 256.01, by adding subdivisions; 256B.055, by adding a subdivision; 256B.056, subdivisions 3, 4, by adding subdivisions; 256B.0754, by adding a subdivision; 256L.04, subdivision 1; 295.52, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62U; repealing Minnesota Statutes 2008, sections 62E.08; 62E.09; 62E.091; 62E.10; 62E.101; 62E.11; 62E.12; 62E.13; 62E.14; 62E.141; 62E.15; 62E.16; 62E.18; 62E.19; 256L.01, subdivisions 1, 1a, 2, 3, 3a, 5; 256L.02, subdivisions 1, 2, 3; 256L.03, subdivisions 1, 1a, 2, 3, 3a, 4, 6; 256L.04, subdivisions 1, 1a, 2, 2a, 7, 7a, 7b, 8, 9, 10, 12, 13; 256L.05, subdivisions 1a, 1b, 2, 3, 3a, 3b, 3c, 4, 5; 256L.06, subdivision 3; 256L.07, subdivisions 1, 2, 4, 5, 6, 7; 256L.10; 256L.11, subdivisions 2, 2a, 3, 4, 5, 6, 7; 256L.12; 256L.15; 256L.17, subdivisions 1, 2, 4, 7; 256L.18; 256L.22; 256L.24; 256L.26; 256L.28; 295.52, subdivisions 1, 1a, 2, 3, 4, 4a, 5, 6, 7; 295.53, subdivisions 1, 2, 3, 4a; 295.54; 295.55; 295.57, subdivisions 1, 2, 3, 4; 295.58; 295.582; 295.59; 297I.05, subdivision 5; Minnesota Statutes 2009 Supplement, sections 256L.01, subdivision 4a; 256L.03, subdivision 5; 256L.04, subdivision 10a; 256L.05, subdivision 1; 256L.11, subdivision 1; 256L.17, subdivisions 3, 5; 295.56; 295.57, subdivision 5.

The bill was read for the first time and referred to the Committee on Finance.

Juhnke and Davnie introduced:

H. F. No. 3710, A bill for an act relating to consumer protection; regulating consumer contracts; imposing certain language requests; providing remedies; amending Minnesota Statutes 2008, section 325G.31.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Fritz introduced:

H. F. No. 3711, A bill for an act relating to state government; requiring preference for purchasing from local growers or distributors when purchasing fresh produce for consumption in state correctional facilities; proposing coding for new law in Minnesota Statutes, chapter 16C.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Davnie introduced:

H. F. No. 3712, A bill for an act relating to taxation; sales and use; providing an exemption for construction materials for the Orchestra Hall and Peavey Plaza renovation; amending Minnesota Statutes 2008, section 297A.71, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Huntley; Kelliher; Thissen; Murphy, E., and Sertich introduced:

H. F. No. 3713, A bill for an act relating to human services; expanding medical assistance eligibility to include certain adults without children; appropriating money; including a repealer; amending Minnesota Statutes 2008, sections 256B.055, by adding a subdivision; 256B.056, subdivision 4.

The bill was read for the first time and referred to the Committee on Finance.

Kalin introduced:

H. F. No. 3714, A bill for an act relating to energy; amending size threshold for certain small energy generation projects; amending Minnesota Statutes 2008, section 216B.164, subdivisions 3, 4, 6.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 2706, A bill for an act relating to certified public accountants; clarifying licensing requirements; amending Minnesota Statutes 2008, sections 3.972, subdivision 1; 6.66; 110A.32, subdivision 2; 144A.05; 367.36, subdivision 1; 385.06, subdivision 2; 412.222; 412.591, subdivision 3; 471.49, subdivision 10; 471.6985, subdivision 2; 515B.3-121; Minnesota Statutes 2009 Supplement, section 297E.06, subdivision 4; repealing Minnesota Rules, part 8122.0150, subpart 7.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

CONCURRENCE AND REPASSAGE

Atkins moved that the House concur in the Senate amendments to H. F. No. 2706 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2706, A bill for an act relating to certified public accountants; clarifying licensing requirements; amending Minnesota Statutes 2008, sections 3.972, subdivision 1; 6.66; 110A.32, subdivision 2; 144A.05; 367.36, subdivision 1; 385.06, subdivision 2; 412.222; 412.591, subdivision 3; 471.49, subdivision 10; 471.6985, subdivision 2; 515B.3-121; Minnesota Statutes 2009 Supplement, section 297E.06, subdivision 4; repealing Minnesota Rules, parts 8122.0150, subpart 7; 8122.0600.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Buesgens	Hackbarth	Westrom
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The bill was repassed, as amended by the Senate, and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Sertich from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Thursday, March 18, 2010:

H. F. Nos. 3427, 2709 and 2879; S. F. No. 2572; and H. F. Nos. 653, 1780, 2988, 1182 and 2855.

CALENDAR FOR THE DAY

H. F. No. 3017, A bill for an act relating to local government; authorizing municipalities to permit certain solicitations; proposing coding for new law in Minnesota Statutes, chapter 465.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Abeler	Anzelc	Bigham	Brynaert	Champion	Davids
Anderson, P.	Atkins	Bly	Bunn	Clark	Davnie
Anderson, S.	Benson	Brown	Carlson	Cornish	Dill

Dittrich	Hilty	Laine	Morrow	Peterson	Thao
Doty	Hoppe	Lanning	Mullery	Poppe	Thissen
Eken	Hornstein	Lesch	Murdock	Rosenthal	Tillberry
Falk	Hortman	Liebling	Murphy, E.	Rukavina	Urdahl
Faust	Hosch	Lieder	Murphy, M.	Ruud	Wagenius
Fritz	Howes	Lillie	Nelson	Sailer	Ward
Gardner	Huntley	Loeffler	Newton	Scalze	Welti
Greiling	Jackson	Loon	Nornes	Sertich	Westrom
Gunther	Johnson	Mack	Norton	Simon	Winkler
Hamilton	Juhnke	Mahoney	Obermueller	Slawik	Spk. Kelliher
Hansen	Kahn	Mariani	Olin	Slocum	
Hausman	Kalin	Marquart	Otremba	Smith	
Haws	Kath	Masin	Paymar	Solberg	
Hayden	Knuth	McNamara	Pelowski	Sterner	
Hilstrom	Koenen	Morgan	Persell	Swails	

Those who voted in the negative were:

Anderson, B.	Demmer	Eastlund	Holberg	McFarlane	Seifert
Beard	Dettmer	Emmer	Kelly	Peppin	Severson
Brod	Doepke	Garofalo	Kiffmeyer	Reinert	Shimanski
Buesgens	Downey	Gottwalt	Kohls	Sanders	Torkelson
Dean	Drazkowski	Hackbarth	Magnus	Scott	Zellers

The bill was passed and its title agreed to.

H. F. No. 3427 was reported to the House and given its third reading.

Seifert moved that H. F. No. 3427 be re-referred to the Committee on Civil Justice.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 104 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Abeler	Brynaert	Doty	Gunther	Kelly	Marquart
Anderson, B.	Buesgens	Downey	Hackbarth	Kiffmeyer	Masin
Anderson, P.	Bunn	Drazkowski	Hamilton	Knuth	McFarlane
Anderson, S.	Carlson	Eastlund	Hansen	Koenen	McNamara
Anzelc	Cornish	Eken	Haws	Kohls	Morgan
Atkins	Dauids	Emmer	Holberg	Lanning	Morrow
Beard	Dean	Falk	Hoppe	Lillie	Murdock
Benson	Demmer	Faust	Hosch	Loeffler	Newton
Bigham	Dettmer	Fritz	Howes	Loon	Nornes
Bly	Dill	Gardner	Jackson	Mack	Norton
Brod	Dittrich	Garofalo	Juhnke	Magnus	Obermueller
Brown	Doepke	Gottwalt	Kath	Mahoney	Olin

Otremba	Reinert	Scalze	Smith	Tillberry	Zellers
Pelowski	Rosenthal	Scott	Solberg	Torkelson	Spk. Kelliher
Peppin	Rukavina	Seifert	Sterner	Urdahl	
Persell	Ruud	Severson	Swails	Ward	
Peterson	Sailer	Shimanski	Thao	Welti	
Poppe	Sanders	Slocum	Thissen	Westrom	

Those who voted in the negative were:

Champion	Hayden	Huntley	Lesch	Murphy, M.	Wagenius
Clark	Hilstrom	Johnson	Liebling	Nelson	Winkler
Davnie	Hilty	Kahn	Lieder	Sertich	
Greiling	Hornstein	Kalin	Mariani	Simon	
Hausman	Hortman	Laine	Murphy, E.	Slawik	

The motion prevailed and H. F. No. 3427 was re-referred to the Committee on Civil Justice.

H. F. No. 2709 was reported to the House.

Norton moved to amend H. F. No. 2709, the first engrossment, as follows:

Page 1, delete section 2

Page 2, lines 9 and 14, after "volunteers" insert "without compensation or the expectation of compensation"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

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, sections 12.03, by adding a subdivision; 12.22, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Atkins	Brod	Carlson	Davnie	Dittrich
Anderson, B.	Beard	Brown	Champion	Dean	Doepke
Anderson, P.	Benson	Brynaert	Clark	Demmer	Doty
Anderson, S.	Bigham	Buesgens	Cornish	Dettmer	Downey
Anzelc	Bly	Bunn	Davids	Dill	Drazkowski

Eastlund	Hilty	Kohls	Morgan	Poppe	Sterner
Eken	Holberg	Laine	Morrow	Reinert	Swails
Emmer	Hoppe	Lanning	Mullery	Rosenthal	Thao
Falk	Hornstein	Lenczewski	Murdock	Rukavina	Thissen
Faust	Hortman	Lesch	Murphy, E.	Ruud	Tillberry
Fritz	Hosch	Liebling	Murphy, M.	Sailer	Torkelson
Gardner	Howes	Lieder	Nelson	Sanders	Urdahl
Garofalo	Huntley	Lillie	Newton	Scalze	Wagenius
Gottwalt	Jackson	Loeffler	Nornes	Scott	Ward
Greiling	Johnson	Loon	Norton	Seifert	Welti
Gunther	Juhnke	Mack	Obermueller	Sertich	Westrom
Hackbarth	Kahn	Magnus	Olin	Severson	Winkler
Hamilton	Kalin	Mahoney	Otremba	Shimanski	Zellers
Hansen	Kath	Mariani	Paymar	Simon	Spk. Kelliher
Hausman	Kelly	Marquart	Pelowski	Slawik	
Haws	Kiffmeyer	Masin	Peppin	Slocum	
Hayden	Knuth	McFarlane	Persell	Smith	
Hilstrom	Koenen	McNamara	Peterson	Solberg	

The bill was passed, as amended, and its title agreed to.

H. F. No. 2879 was reported to the House.

Kohls moved to amend H. F. No. 2879, the second engrossment, as follows:

Page 1, after line 11, insert:

"Sec. 2. **REPEALER.**

(a) Minnesota Statutes 2008, sections 65B.41; 65B.42; 65B.43; 65B.44; 65B.45; 65B.46; 65B.47; 65B.48, subdivisions 1, 2, 3, 3a, 4, 5, 6, and 7; 65B.482; 65B.49, subdivisions 1, 2, 3, 3a, 4a, 5a, 7, 8, and 9; 65B.50; 65B.51; 65B.525; 65B.53; 65B.54, subdivisions 2, 3, 4, 5, and 6; 65B.55; 65B.56; 65B.57; 65B.58; 65B.59; 65B.60; 65B.61, subdivisions 1, 2, 2a, and 3; 65B.63; 65B.64; 65B.65; 65B.66; 65B.685; and 65B.71, are repealed.

(b) Minnesota Statutes 2009 Supplement, section 65B.54, subdivision 1, is repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker called Hortman to the Chair.

The question was taken on the Kohls amendment and the roll was called. There were 33 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Buesgens	Dittrich	Drazkowski	Garofalo	Hackbarth
Anderson, S.	Dean	Doepke	Eastlund	Gottwalt	Holberg
Brod	Dettmer	Downey	Emmer	Gunther	Hoppe

Kelly	Loon	McNamara	Scott	Shimanski
Kiffmeyer	Mack	Peppin	Seifert	Sterner
Kohls	McFarlane	Sanders	Severson	Zellers

Those who voted in the negative were:

Abeler	Demmer	Hortman	Lieder	Norton	Slawik
Anderson, P.	Dill	Hosch	Lillie	Obermueller	Slocum
Anzelc	Doty	Howes	Loeffler	Olin	Smith
Atkins	Eken	Huntley	Magnus	Otremba	Solberg
Beard	Falk	Jackson	Mahoney	Paymar	Swails
Benson	Faust	Johnson	Mariani	Pelowski	Thao
Bigham	Fritz	Juhnke	Marquart	Persell	Thissen
Bly	Gardner	Kahn	Masin	Peterson	Tillberry
Brown	Greiling	Kalin	Morgan	Poppe	Torkelson
Brynaert	Hamilton	Kath	Morrow	Reinert	Urdahl
Bunn	Hansen	Knuth	Mullery	Rosenthal	Wagenius
Carlson	Hausman	Koenen	Murdock	Rukavina	Ward
Champion	Haws	Laine	Murphy, E.	Ruud	Walti
Clark	Hayden	Lanning	Murphy, M.	Sailer	Westrom
Cornish	Hilstrom	Lenczewski	Nelson	Scalze	Winkler
Davids	Hilty	Lesch	Newton	Sertich	Spk. Kelliher
Davnie	Hornstein	Liebling	Nornes	Simon	

The motion did not prevail and the amendment was not adopted.

H. F. No. 2879, A bill for an act relating to insurance; allowing certain minors to contract for automobile insurance; proposing coding for new law in Minnesota Statutes, chapter 65B.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Clark	Faust	Hornstein	Lanning	Morrow
Anderson, B.	Cornish	Fritz	Hortman	Lenczewski	Mullery
Anderson, P.	Davids	Gardner	Hosch	Lesch	Murdock
Anderson, S.	Davnie	Garofalo	Howes	Liebling	Murphy, E.
Anzelc	Dean	Gottwalt	Huntley	Lieder	Murphy, M.
Atkins	Demmer	Greiling	Jackson	Lillie	Nelson
Beard	Dettmer	Gunther	Johnson	Loeffler	Newton
Benson	Dill	Hackbarth	Juhnke	Loon	Nornes
Bigham	Dittrich	Hamilton	Kahn	Mack	Norton
Bly	Doepke	Hansen	Kalin	Magnus	Obermueller
Brod	Doty	Hausman	Kath	Mahoney	Olin
Brown	Downey	Haws	Kelly	Mariani	Otremba
Brynaert	Drazkowski	Hayden	Kiffmeyer	Marquart	Paymar
Buesgens	Eastlund	Hilstrom	Knuth	Masin	Pelowski
Bunn	Eken	Hilty	Koenen	McFarlane	Peppin
Carlson	Emmer	Holberg	Kohls	McNamara	Persell
Champion	Falk	Hoppe	Laine	Morgan	Peterson

Poppe	Sanders	Shimanski	Sterner	Urdahl	Zellers
Reinert	Scalze	Simon	Swails	Wagenius	Spk. Kelliher
Rosenthal	Scott	Slawik	Thao	Ward	
Rukavina	Seifert	Slocum	Thissen	Walti	
Ruud	Sertich	Smith	Tillberry	Westrom	
Sailer	Severson	Solberg	Torkelson	Winkler	

The bill was passed and its title agreed to.

S. F. No. 2259 was reported to the House.

Drazkowski moved to amend S. F. No. 2259, the first engrossment, as follows:

Page 1, line 15, delete the second "the"

Page 1, line 16, delete "Minnesota Historical Society,"

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called.

Pursuant to rule 2.05, Kelliher was excused from voting on the Drazkowski amendment to S. F. No. 2259, the first engrossment.

There were 36 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Emmer	Holberg	Magnus	Severson
Beard	Dettmer	Garofalo	Hoppe	Nornes	Shimanski
Brod	Doepke	Gottwalt	Kelly	Peppin	Smith
Buesgens	Downey	Gunther	Kiffmeyer	Sanders	Torkelson
Davids	Drazkowski	Hackbarth	Kohls	Scott	Westrom
Dean	Eastlund	Hamilton	Mack	Seifert	Zellers

Those who voted in the negative were:

Abeler	Clark	Hausman	Kahn	Loon	Nelson
Anderson, P.	Cornish	Haws	Kalin	Mahoney	Newton
Anderson, S.	Davnie	Hayden	Kath	Mariani	Norton
Anzelc	Dill	Hilstrom	Knuth	Marquart	Obermueller
Atkins	Dittrich	Hilty	Koenen	Masin	Olin
Benson	Doty	Hornstein	Laine	McFarlane	Otremba
Bigham	Eken	Hortman	Lanning	McNamara	Paymar
Bly	Falk	Hosch	Lenczewski	Morgan	Pelowski
Brown	Faust	Howes	Lesch	Morrow	Persell
Brynaert	Fritz	Huntley	Liebling	Mullery	Peterson
Bunn	Gardner	Jackson	Lieder	Murdock	Poppe
Carlson	Greiling	Johnson	Lillie	Murphy, E.	Reinert
Champion	Hansen	Juhnke	Loeffler	Murphy, M.	Rosenthal

Rukavina	Sertich	Solberg	Thissen	Ward
Ruud	Simon	Sterner	Tillberry	Walti
Sailer	Slawik	Swails	Urdahl	Winkler
Scalze	Slocum	Thao	Wagenius	

The motion did not prevail and the amendment was not adopted.

Abeler was excused for the remainder of today's session.

Eastlund moved to amend S. F. No. 2259, the first engrossment, as follows:

Page 1, after line 22, insert:

"Sec. 2. Minnesota Statutes 2008, section 471.59, is amended by adding a subdivision to read:

Subd. 14. **Audits.** (a) A governmental unit, as defined in subdivision 1, that enters into a joint powers agreement, agrees by entering into a joint powers agreement to be audited by the state auditor or a public accountant designated by the state auditor. The governmental unit also agrees to pay for the audit. The governmental unit must cooperate with the audit.

(b) This subdivision does not apply to a governmental unit that is audited by the legislative auditor under other law."

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 Eastlund amendment and the roll was called.

Pursuant to rule 2.05, Kelliher was excused from voting on the Eastlund amendment to S. F. No. 2259, the first engrossment.

There were 46 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Garofalo	Kelly	McNamara	Shimanski
Anderson, P.	Demmer	Gottwalt	Kiffmeyer	Murdock	Smith
Anderson, S.	Dettmer	Gunther	Kohls	Nornes	Torkelson
Beard	Doepke	Hackbarth	Lanning	Peppin	Urdahl
Brod	Downey	Hamilton	Loon	Sanders	Westrom
Buesgens	Drazkowski	Holberg	Mack	Scott	Zellers
Cornish	Eastlund	Hoppe	Magnus	Seifert	
Davids	Emmer	Howes	McFarlane	Severson	

Those who voted in the negative were:

Anzelc	Bigham	Brynaert	Champion	Dill	Eken
Atkins	Bly	Bunn	Clark	Dittrich	Falk
Benson	Brown	Carlson	Davnie	Doty	Faust

Fritz	Huntley	Liebling	Murphy, M.	Reinert	Swails
Gardner	Jackson	Lieder	Nelson	Rosenthal	Thao
Greiling	Johnson	Lillie	Newton	Rukavina	Thissen
Hansen	Juhnke	Loeffler	Norton	Ruud	Tillberry
Hausman	Kahn	Mahoney	Obermueller	Sailer	Wagenius
Haws	Kalin	Mariani	Olin	Scalze	Ward
Hayden	Kath	Marquart	Otremba	Sertich	Welti
Hilstrom	Knuth	Masin	Paymar	Simon	Winkler
Hilty	Koenen	Morgan	Pelowski	Slawik	
Hornstein	Laine	Morrow	Persell	Slocum	
Hortman	Lenczewski	Mullery	Peterson	Solberg	
Hosch	Lesch	Murphy, E.	Poppe	Sternier	

The motion did not prevail and the amendment was not adopted.

Anderson, S., offered an amendment to S. F. No. 2259, the first engrossment.

POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Anderson, S., amendment was not in order. Speaker pro tempore Hortman ruled the point of order well taken and the Anderson, S., amendment out of order.

Anderson, S., 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.

Pursuant to rule 2.05, Kelliher was excused from voting on the Anderson, S., appeal.

There were 87 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anzelc	Eken	Howes	Lillie	Olin	Slawik
Atkins	Falk	Huntley	Loeffler	Otremba	Slocum
Benson	Faust	Jackson	Mahoney	Paymar	Solberg
Bigham	Fritz	Johnson	Mariani	Pelowski	Sternier
Bly	Gardner	Juhnke	Marquart	Persell	Swails
Brown	Greiling	Kahn	Masin	Peterson	Thao
Brynaert	Hansen	Kalin	Morgan	Poppe	Thissen
Bunn	Hausman	Kath	Morrow	Reinert	Tillberry
Carlson	Haws	Knuth	Mullery	Rosenthal	Wagenius
Champion	Hayden	Koenen	Murphy, E.	Rukavina	Ward
Clark	Hilstrom	Laine	Murphy, M.	Ruud	Welti
Davnie	Hilty	Lenczewski	Nelson	Sailer	Winkler
Dill	Hornstein	Lesch	Newton	Scalze	
Dittrich	Hortman	Liebling	Norton	Sertich	
Doty	Hosch	Lieder	Obermueller	Simon	

Those who voted in the negative were:

Anderson, B.	Dean	Garofalo	Kiffmeyer	Murdock	Smith
Anderson, P.	Demmer	Gottwalt	Kohls	Nornes	Torkelson
Anderson, S.	Dettmer	Gunther	Lanning	Peppin	Urdahl
Beard	Doepke	Hackbarth	Loon	Sanders	Westrom
Brod	Downey	Hamilton	Mack	Scott	Zellers
Buesgens	Drazkowski	Holberg	Magnus	Seifert	
Cornish	Eastlund	Hoppe	McFarlane	Severson	
Davids	Emmer	Kelly	McNamara	Shimanski	

So it was the judgment of the House that the decision of Speaker pro tempore Hortman should stand.

S. F. No. 2259, A bill for an act relating to local government; authorizing federally recognized Indian tribes and the Minnesota Historical Society to participate in joint powers agreements; amending Minnesota Statutes 2008, section 471.59, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Pursuant to rule 2.05, Kelliher was excused from voting on the final passage of S. F. No. 2259.

There were 90 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anzelc	Eken	Howes	Lillie	Obermueller	Simon
Atkins	Falk	Huntley	Loeffler	Olin	Slawik
Beard	Faust	Jackson	Mahoney	Otremba	Slocum
Benson	Fritz	Johnson	Mariani	Paymar	Solberg
Bigham	Gardner	Juhnke	Marquart	Pelowski	Sterner
Bly	Greiling	Kahn	Masin	Persell	Swails
Brown	Hansen	Kalin	Morgan	Peterson	Thao
Brynaert	Hausman	Kath	Morrow	Poppe	Thissen
Bunn	Haws	Knuth	Mullery	Reinert	Tillberry
Carlson	Hayden	Koenen	Murphy, E.	Rosenthal	Urdahl
Champion	Hilstrom	Laine	Murphy, M.	Rukavina	Wagenius
Clark	Hilty	Lenczewski	Nelson	Ruud	Ward
Davnie	Hornstein	Lesch	Newton	Sailer	Welti
Dill	Hortman	Liebling	Nornes	Scalze	Westrom
Doty	Hosch	Lieder	Norton	Sertich	Winkler

Those who voted in the negative were:

Anderson, B.	Dean	Eastlund	Holberg	Mack	Scott
Anderson, P.	Demmer	Emmer	Hoppe	Magnus	Seifert
Anderson, S.	Dettmer	Garofalo	Kelly	McFarlane	Severson
Brod	Dittrich	Gottwalt	Kiffmeyer	McNamara	Shimanski
Buesgens	Doepke	Gunther	Kohls	Murdock	Smith
Cornish	Downey	Hackbarth	Lanning	Peppin	Torkelson
Davids	Drazkowski	Hamilton	Loon	Sanders	Zellers

The bill was passed and its title agreed to.

Sertich moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Sertich moved that the name of Anderson, P., be added as an author on H. F. No. 1365. The motion prevailed.

Lieder moved that the name of Olin be added as an author on H. F. No. 2587. The motion prevailed.

Liebling moved that the name of Eastlund be added as an author on H. F. No. 2989. The motion prevailed.

Bigham moved that the name of Drazkowski be added as an author on H. F. No. 3106. The motion prevailed.

Mullery moved that the name of Sterner be added as an author on H. F. No. 3131. The motion prevailed.

Urdahl moved that the name of Drazkowski be added as an author on H. F. No. 3474. The motion prevailed.

Dittrich moved that the name of Simon be added as an author on H. F. No. 3475. The motion prevailed.

Hansen moved that the name of Davnie be added as an author on H. F. No. 3512. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 3519. The motion prevailed.

Atkins moved that the name of Simon be added as an author on H. F. No. 3550. The motion prevailed.

Murphy, E., moved that the name of Dean be added as an author on H. F. No. 3630. The motion prevailed.

Beard moved that the names of Scott and Olin be added as authors on H. F. No. 3681. The motion prevailed.

Atkins moved that the name of Reinert be added as an author on H. F. No. 3700. The motion prevailed.

Mariani moved that H. F. No. 1818 be recalled from the Committee on State and Local Government Operations Reform, Technology and Elections and be re-referred to the Committee on Finance. The motion prevailed.

Hilstrom moved that H. F. No. 2608, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

Beard moved that H. F. No. 3546 be recalled from the Energy Finance and Policy Division and be re-referred to the Committee on Finance. The motion prevailed.

Huntley, Kelliher, Sertich, Thissen and Murphy, E., introduced:

House Resolution No. 8, A House resolution expressing the sense of the Minnesota House of Representatives regarding an extension of the enhanced federal Medicaid match.

The resolution was referred to the Committee on Finance.

The Speaker resumed the Chair.

MOTION TO FIX TIME TO CONVENE

Sertich moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, March 22, 2010. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Solberg announced his intention to place H. F. No. 1671 on the Fiscal Calendar for Monday, March 22, 2010.

IN MEMORIAM

The members of the House paused for a moment of silence in memory of former Representative Ken Zubay of Rochester, Minnesota, who served from 1975-1982 and former Representative Bob Waltman from Elgin, Minnesota, who served from 1983-1994, both of whom recently passed away.

ADJOURNMENT

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Monday, March 22, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives