

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2009

 FIFTIETH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 8, 2009

The House of Representatives convened at 9:30 a.m. and was called to order by Al Juhnke, Speaker pro tempore.

Prayer was offered by Rabbi Adam Stock Spilker, Mount Zion Temple, St. Paul, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

Magnus was excused.

Demmer was excused until 2:50 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 1036 and H. F. No. 1218, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Lillie moved that the rules be so far suspended that S. F. No. 1036 be substituted for H. F. No. 1218 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1481 and H. F. No. 2038, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 1481 be substituted for H. F. No. 2038 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2009 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2009</i>	<i>Date Filed 2009</i>
1904		33	4:34 p.m. May 6	May 6
1711		34	4:35 p.m. May 6	May 6
684		35	4:37 p.m. May 6	May 6

Sincerely,

MARK RITCHIE
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson from the Committee on Finance to which was referred:

H. F. No. 120, A bill for an act relating to health; establishing oversight for health care cooperative arrangements; increasing access to health care services in rural areas; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62R.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[62R.09] ANTITRUST IMMUNITY.**

Subdivision 1. **Intent; purpose.** The legislature finds that the goals of controlling health care costs and improving the quality of and access to health care services in rural areas are significantly enhanced by the development of health care cooperatives created under this chapter. To promote health care cooperative arrangements, it is necessary for the cooperatives to collectively negotiate on behalf of their members. Although negotiations may raise competitive issues, the legislature finds that properly supervised health care cooperative negotiations will enhance the delivery of health care in rural markets. The legislature further finds that by establishing a system of review and supervision of health care cooperative contractual negotiations competition is preserved. The purpose of this legislation is to clarify the provisions in this chapter to ensure that health care cooperative arrangements under section 62R.06 are not in violation of state or federal antitrust law.

Subd. 2. **Review and approval; monitoring.** (a) The commissioner shall review and authorize contracts and business or financial arrangements under section 62R.06, subdivision 1. All contracts and business or financial arrangements must be submitted on an application for approval to the commissioner.

(b) Within 30 days after receiving an application, the commissioner may request additional information that is necessary to complete the review required under this section. If the commissioner does not request additional information and does not act within 60 days after receipt of an application, the application shall be deemed approved. If the commissioner requests additional information and does not act within 60 days of receiving additional information sufficient to evaluate the application, as determined by the commissioner, the application shall be deemed approved. The commissioner shall not deny any application unless the commissioner determines, using the criteria in paragraph (g), that: (1) the anticompetitive effects of the arrangement on the marketplace exceed the procompetitive effects or efficiencies, or that any price agreements included in the arrangement are not necessary to achieve the efficiencies that are expected to result from the arrangement; or (2) the applicant has not provided complete or sufficient information requested by the commissioner to evaluate the impact of the proposed arrangement on the health care marketplace.

(c) The commissioner may collect information from other parties, such as health plan companies or other health care providers operating in the same geographic area as the health care cooperative, to assist in evaluating the impact of the proposed arrangement on the health care marketplace. Data collected from health plan companies and health care providers under this paragraph are nonpublic data or private data on individuals, as defined in section 13.02.

(d) The commissioner may solicit public comment on the impact of the proposed arrangement.

(e) The commissioner may condition approval of a proposed arrangement on a modification of all or part of the arrangement to eliminate any restriction on competition that is not reasonably related to the goals of improving health care access or quality. The commissioner may also establish conditions for approval that are reasonably necessary to protect against abuses of private economic power and to ensure that the arrangement has oversight by the state.

(f) The commissioner shall monitor arrangements approved under this section to ensure that the arrangement remains in compliance with the conditions of approval. The commissioner may revoke an approval upon a finding that the arrangement is not in substantial compliance with the terms of the application or the conditions of approval.

(g) In evaluating applications received under this section, the commissioner shall consider whether:

(1) the arrangement is likely to produce significant efficiencies that benefit consumers, such as cost savings or improvements in quality of or access to care;

(2) the arrangement is likely to have any anticompetitive effects on the marketplace; and

(3) the potential anticompetitive effects outweigh the procompetitive efficiencies resulting from the arrangement.

Subd. 3. **Applications.** (a) Applications for approval under this section must include a detailed description of the proposed arrangement.

(b) The application must include:

(1) the identities of all the parties to the arrangement;

(2) the participation rules for the cooperative, including the terms and conditions under which participating providers may be members of the cooperative;

(3) a description of the geographic areas served by the cooperative and the products provided, and a list of competing providers that are not members of the cooperative;

(4) a description of any restriction on participating members of the cooperative entering into other contracts with payers; and

(5) a description of the increased efficiency, improved health care access, improved health care quality, or increased market competition that will result from the arrangement.

(c) Data on providers collected under this section are private data on individuals or nonpublic data, as defined in section 13.02.

Subd. 4. **Application fee.** When submitting an application to the commissioner, a health care cooperative shall pay a fee of \$2,000 for the commissioner's cost of reviewing and monitoring the arrangement. Revenue received by the commissioner under this section shall be appropriated to the commissioner for the purpose of administering this section.

Sec. 2. [62R.10] ORGANIZATION OF NEW HEALTH CARE COOPERATIVES PROHIBITED.

A new health care cooperative may not organize under this chapter unless authorized by a law enacted after the effective date of this section."

Delete the title and insert:

"A bill for an act relating to health; establishing oversight for health care cooperative arrangements; increasing access to health care services in rural areas; prohibiting new health care cooperatives unless specifically authorized by law; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62R."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 266, A bill for an act relating to human services; modifying parental fees for services for persons with developmental disabilities; amending Minnesota Statutes 2008, section 252.27, subdivision 2a.

Reported the same back with the following amendments:

Page 2, lines 18 and 19, delete the new language and reinstate the stricken language

Page 2, line 20, delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 384, A bill for an act relating to health; developing technology standards and tools to exchange information electronically between groups; amending Minnesota Statutes 2008, section 62J.60, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **DEVELOPING TECHNOLOGY STANDARDS AND TOOLS.**

The commissioner of health, in consultation with the Minnesota Administrative Uniformity Committee and the commissioner of human services, shall study and make recommendations on the feasibility and barriers to simplifying health care administrative transactions through electronic data interchange. The study shall include:

(1) recommendations regarding the feasibility and barriers to establishing a single, standardized system for all group purchasers for health care administrative transactions and notification, preauthorization, or service notification, and retroactive denial through electronic data interchange, identifying a range of potential technologies to accomplish this purpose;

(2) recommendations regarding the relationship of technologies to the e-prescribing requirements of Minnesota Statutes, section 62J.497;

(3) recommendations for ensuring that any use of technologies by providers and group purchasers is consistent with national standards;

(4) an analysis of the readiness of providers and group purchasers to implement appropriate technologies and comply with technology requirements already required by law; and

(5) recommendations for prioritizing the implementation of specific technologies in relation to provider and health plan efforts to meet the requirements of Minnesota Statutes, section 62J.536, to meet the administrative requirements of Minnesota Statutes, section 62J.497, to meet federal requirements for transitioning from ICD-9 to ICD-10, and to comply with federal changes to Code of Federal Regulations, title 45, part 162."

Delete the title and insert:

"A bill for an act relating to health; requiring a study to simplify health care administrative transactions via electronic data exchange."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 501, A bill for an act relating to education; creating an alternative means of graduation for students; studying graduation exams; amending Minnesota Statutes 2008, section 120B.30, subdivisions 1, 1a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed from and aligned with the state's required academic standards under section 120B.021 and administered annually to all students in grades 3 through 8 and at the high school level. A state-developed test in a subject other than writing, developed after the 2002-2003 school year, must include both ~~machine-scoreable~~ multiple choice and constructed response questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. For students enrolled in grade 8 before the 2005-2006 school year, ~~only~~ Minnesota basic skills tests in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of basic skills tests in reading and mathematics are the equivalent of 75 percent correct for students entering grade 9 in 1997 and thereafter, as based on the first uniform test administration of February 1998. Students who have not successfully passed a Minnesota basic skills test by the end of the 2011-2012 school year must pass the graduation-required assessments for diploma under paragraph (b).

(b) For students enrolled in grade 8 in the 2005-2006 school year and later, only the following options shall fulfill students' state graduation test requirements:

(1) for reading and mathematics:

(i) obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the graduation-required assessment for diploma in grade 10 for reading and grade 11 for mathematics or subsequent retests;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the graduation-required assessment for diploma equivalent of those assessments for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan;

(iv) obtaining achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an individual education plan; or

(v) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan; and

(2) for writing:

(i) achieving a passing score on the graduation-required assessment for diploma;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan; or

(iv) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan.

(c) Students enrolled in grade 8 in any school year from the 2005-2006 school year to the 2009-2010 school year who do not pass the mathematics graduation-required assessment for diploma under paragraph (b) are eligible to receive a high school diploma with a passing state notation if they:

(1) complete with a passing score or grade all state and local coursework and credits required for graduation by the school board granting the students their diploma;

(2) participate in district-prescribed academic remediation in mathematics; and

(3) fully participate in at least two retest attempts after the initial spring administration of the mathematics graduation-required assessment for diploma or until they pass the mathematics graduation-required assessments for diploma, whichever comes first. A school district issuing a student a high school diploma in any school year from the 2009-2010 school year through the 2013-2014 school year must record on the student's high school transcript the student's score on the mathematics graduation-required assessments for diploma under this subdivision.

In addition, the school board granting the students their diplomas may formally decide to include a notation of high achievement on the high school diplomas of those graduating seniors who, according to established school board criteria, demonstrate exemplary academic achievement during high school.

(d) The 3rd through 8th grade and high school level test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must disseminate to the public the test results upon receiving those results.

~~(d)~~ (e) State tests must be constructed and aligned with state academic standards. The testing process and the order of administration shall be determined by the commissioner. The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

~~(e)~~ (f) In addition to the testing and reporting requirements under this section, the commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide testing of all students in grades 3 through 8 and at the high school level that provides appropriate, technically sound accommodations, or alternate assessments, or exemptions consistent with applicable federal law, only with parent or guardian approval, for those very few students for whom the student's individual education plan team under sections 125A.05 and 125A.06 determines that the general statewide test is inappropriate for a student, or for a limited English proficiency student under section 124D.59, subdivision 2;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

EFFECTIVE DATE. This section is effective the day following final enactment. Paragraph (c) applies to the 2009-2010 through 2013-2014 school years only. Notwithstanding any other law to the contrary, requirements related to the math graduation-required assessment for diploma under this section are repealed June 30, 2014, and the commissioner of education must not implement any alternative to the math graduation-required assessment for diploma without specific legislative authority.

Sec. 2. Minnesota Statutes 2008, section 120B.30, subdivision 1a, is amended to read:

Subd. 1a. **Statewide and local assessments; results.** (a) The commissioner must develop reading, mathematics, and science assessments aligned with state academic standards that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual reading and mathematics assessments in grades 3 through 8 and at the high school level for the 2005-2006 school year and later; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 9.8 span, and a life sciences assessment in the grades ~~10~~ 9 through 12 span ~~for the 2007-2008 school year and later, and the commissioner must not require students to achieve a passing score on high school-level science assessments under this clause as a condition of receiving a high school diploma.~~

(b) The commissioner must ensure that all statewide tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

(c) Reporting of assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include, by no later than the 2008-2009 school year, a value-added component that is in addition to a measure for student achievement growth over time; and

(3)(i) for students enrolled in grade 8 before the 2005-2006 school year, determine whether students have met the state's basic skills requirements; and

(ii) for students enrolled in grade 8 in the 2005-2006 school year and later, determine whether students have met the state's academic standards.

(d) Consistent with applicable federal law and subdivision 1, paragraph (d), clause (1), the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for students with limited English proficiency.

(e) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student progress in achieving the academic standards. If a state assessment is not available, a school, school district, and charter school must determine locally if a student has met the required academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

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

Sec. 3. **EXAMINING THE CHARACTERISTICS AND IMPACT OF "HIGH STAKES" MATH AND SCIENCE TESTS IN THE CONTEXT OF AWARDING HIGH SCHOOL DIPLOMAS.**

(a) To carefully and responsibly determine the state policy of administering "high stakes" math and science tests in the context of awarding high school diplomas, the Independent Office of Educational Accountability under Minnesota Statutes, section 120B.31, subdivision 3, must convene and facilitate an advisory group that includes measurement experts selected by the State Council on Measurement in Education, three regionally diverse school district research and evaluation directors selected by the Minnesota Assessment Group, one school superintendent selected by the Minnesota Association of School Administrators, one high school principal selected by the Minnesota Board of School Administrators, one University of Minnesota faculty member selected by the dean of the College of Education and Human Development, one licensed math teacher and one licensed science teacher selected by Education Minnesota, the director of evaluation and testing at the Minnesota Department of Education, two parents of currently enrolled high school students selected by the Minnesota Parent Teacher Association, one representative of the business community selected by the Minnesota Chamber of Commerce, one representative of the business community selected by the Minnesota Business Partnership, one representative of Minnesota's two-year postsecondary institutions selected by Minnesota State Colleges and Universities, one representative of Minnesota's four-year postsecondary institutions selected by the University of Minnesota, an interested member of the public, and mathematicians, scientists, and workforce development experts that the Office of Educational Accountability selects to consider and recommend how best to motivate students and improve students' academic achievement in the context of "high stakes" math and science exams required for high school graduation. The advisory group at least must evaluate and make recommendations on:

(1) particular kinds of math and science exams that Minnesota might use as "high stakes" exams to award or deny students a high school diploma;

(2) appropriate levels of high school math and science proficiency and the educational support to help students achieve those proficiency levels;

(3) the relationship between math and science proficiency levels and state definitions of college and career readiness;

(4) the interrelationship between requiring students to demonstrate math and science proficiency and college or career readiness, and awarding or denying students a high school diploma;

(5) the interrelationship between "high stakes" testing and other coursework and credits required for graduation or college and career readiness; and

(6) appropriate accommodations for students with individualized education plans and students with limited English proficiency in some circumstances.

(b) The advisory group under paragraph (a) is not subject to Minnesota Statutes, section 15.059. The Office of Educational Accountability must present the advisory group's evaluation and recommendations under paragraph (a) to the education policy and finance committees of the legislature by February 15, 2010. The advisory group expires on June 1, 2010.

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

Delete the title and insert:

"A bill for an act relating to education; creating an alternative means of graduation for students; studying graduation exams; amending Minnesota Statutes 2008, section 120B.30, subdivisions 1, 1a."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1132, A bill for an act relating to natural resources; requiring increase in appraised estimates for timber sales; requiring forest lease pilot project and reports.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GAME AND FISH POLICY

Section 1. Minnesota Statutes 2008, section 17.4981, is amended to read:

17.4981 GENERAL CONDITIONS FOR REGULATION OF AQUATIC FARMS.

(a) Aquatic farms are licensed to culture private aquatic life. Cultured aquatic life is not wildlife. Aquatic farms must be licensed and given classifications to prevent or minimize impacts on natural resources. The purpose of sections 17.4981 to 17.4997 is to:

- (1) prevent public aquatic life from entering an aquatic farm;
- (2) prevent release of nonindigenous or exotic species into public waters without approval of the commissioner;
- (3) protect against release of disease pathogens to public waters;

(4) protect existing natural aquatic habitats and the wildlife dependent on them; and

(5) protect private aquatic life from unauthorized taking or harvest.

(b) Private aquatic life that is legally acquired and possessed is an article of interstate commerce and may be restricted only as necessary to protect state fish and water resources.

(c) The commissioner of natural resources shall establish license and other fees as provided in section 16A.1285, subdivision 2, that would make aquaculture licensing and enforcement self-sustaining. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish the fees required by this section. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner shall develop best management practices for aquaculture to ensure the long-term sustainability of aquaculture and wetlands used for aquaculture, including, but not limited to, fish farming in man-made ponds.

Sec. 2. Minnesota Statutes 2008, section 17.4988, subdivision 3, is amended to read:

Subd. 3. **Inspection and additional fees.** Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for the services listed in clauses (1) to (3) and the additional fee required under subdivision 2, paragraph (a). The fees must be set in an amount that does not recover significantly more or less than the cost of providing the service. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The services covered under this provision include:

(1) initial inspection of each water to be licensed;

(2) fish health inspection and certification, including initial tissue sample collection, basic fish health assessment, viral pathogen testing, and bacteriological testing; and

(3) initial inspection for containment and quarantine facility inspections.

Sec. 3. Minnesota Statutes 2008, section 84.027, subdivision 13, is amended to read:

Subd. 13. **Game and fish rules.** (a) The commissioner of natural resources may adopt rules under sections 97A.0451 to 97A.0459 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game and fish, to prohibit or allow taking of wild animals to protect a species, to prevent or control wildlife disease, to open or close bodies of water or portions of bodies of water for night bow fishing, and to prohibit or allow importation, transportation, or possession of a wild animal;

(2) sections 84.093, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas; and

(3) section 84D.12 to designate prohibited invasive species, regulated invasive species, unregulated nonnative species, and infested waters.

(b) If conditions exist that do not allow the commissioner to comply with sections 97A.0451 to 97A.0459, the commissioner may adopt a rule under this subdivision by submitting the rule to the attorney general for review under section 97A.0455, publishing a notice in the State Register and filing the rule with the secretary of state and the Legislative Coordinating Commission, and complying with section 97A.0459, and including a statement of the emergency conditions and a copy of the rule in the notice. The emergency conditions for opening a water body or portion of a water body for night bow fishing under this section may include the need to temporarily open the area to

evaluate compatibility of the activity on that body of water prior to permanent rulemaking. The notice may be published after it is received from the attorney general or five business days after it is submitted to the attorney general, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under paragraph (b), if:

(1) the commissioner of natural resources determines that an emergency exists;

(2) the attorney general approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 97A.0458, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is adopted.

Sec. 4. Minnesota Statutes 2008, section 84.788, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 3, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

(1) the off-highway motorcycle was registered incorrectly ~~by the commissioner or the deputy registrar~~; or

(2) the off-highway motorcycle was registered twice, once by the dealer and once by the customer.

Sec. 5. Minnesota Statutes 2008, section 84.798, subdivision 10, is amended to read:

Subd. 10. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 3, paragraph (b), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration ~~and the vehicle was registered incorrectly by the commissioner or the deputy registrar~~, the registration is not used or transferred, and:

(1) the off-road vehicle was registered incorrectly; or

(2) the off-road vehicle was registered twice, once by the dealer and once by the customer.

Sec. 6. Minnesota Statutes 2008, section 84.82, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 2, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

- (1) the snowmobile was registered incorrectly ~~by the commissioner or the deputy registrar~~; or
- (2) the snowmobile was registered twice, once by the dealer and once by the customer.

Sec. 7. Minnesota Statutes 2008, section 84.922, subdivision 12, is amended to read:

Subd. 12. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 2, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

- (1) the vehicle was registered incorrectly ~~by the commissioner or the deputy registrar~~; or
- (2) the vehicle was registered twice, once by the dealer and once by the customer.

Sec. 8. Minnesota Statutes 2008, section 86B.415, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a license or title, not including any issuing fees paid under subdivision 8 or section 84.027, subdivision 15, paragraph (a), clause (3), or 86B.870, subdivision 1, paragraph (b), if the refund request is received within ~~12 months~~ 60 days of the original license or title, the license or title is not used or transferred, and:

- (1) the watercraft was licensed or titled incorrectly ~~by the commissioner or the deputy registrar~~;
- (2) the customer was incorrectly charged a title fee; or
- (3) the watercraft was licensed or titled twice, once by the dealer and once by the customer.

Sec. 9. Minnesota Statutes 2008, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. **Deer, bear, and lifetime licenses.** (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (5), (6), (7), ~~(11)~~, (13), (14), and (15), ~~(16)~~, and (17), and 3, clauses (2), (3), (4), ~~(9)~~ (10), (11), and (12), ~~and (13)~~, and licenses issued under section 97B.301, subdivision 4.

(b) \$2 from each annual deer license and \$2 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer management account and shall be used for deer habitat improvement or deer management programs.

(c) \$1 from each annual deer license and each bear license and \$1 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer and bear management account and shall be used for deer and bear management programs, including a computerized licensing system.

(d) Fifty cents from each deer license is credited to the emergency deer feeding and wild cervidae health management account and is appropriated for emergency deer feeding and wild cervidae health management. Money appropriated for emergency deer feeding and wild cervidae health management is available until expended. When the unencumbered balance in the appropriation for emergency deer feeding and wild cervidae health management at

the end of a fiscal year exceeds \$2,500,000 for the first time, \$750,000 is canceled to the unappropriated balance of the game and fish fund. The commissioner must inform the legislative chairs of the natural resources finance committees every two years on how the money for emergency deer feeding and wild cervidae health management has been spent.

Thereafter, when the unencumbered balance in the appropriation for emergency deer feeding and wild cervidae health management exceeds \$2,500,000 at the end of a fiscal year, the unencumbered balance in excess of \$2,500,000 is canceled and available for deer and bear management programs and computerized licensing.

Sec. 10. Minnesota Statutes 2008, section 97A.095, subdivision 2, is amended to read:

Subd. 2. **Waterfowl feeding and resting areas.** The commissioner may, by rule, designate any part of a lake as a migratory feeding and resting area. Before designation, the commissioner must receive a petition signed by at least ten local resident licensed hunters describing the area of a lake that is a substantial feeding or resting area for migratory waterfowl, and find that the statements in the petition are correct, and that adequate, free public access to the lake exists near the designated area. The commissioner shall post the area as a migratory waterfowl feeding and resting area. Except as authorized in rules adopted by the commissioner, a person may not enter a posted migratory waterfowl feeding and resting area, during a period when hunting of migratory waterfowl is allowed, with watercraft or aircraft propelled by a motor, other than an electric motor ~~of less than 30 pounds thrust~~ with battery power of 12 volts or less. The commissioner may, by rule, further restrict the use of electric motors in migratory waterfowl feeding and resting areas.

Sec. 11. Minnesota Statutes 2008, section 97A.137, is amended by adding a subdivision to read:

Subd. 4. **Exemption from certain local ordinances.** (a) Wildlife management areas that are established according to section 86A.05, subdivision 8; designated under section 97A.133 or 97A.145; and 160 contiguous acres or larger are exempt from local ordinances that limit the taking of game and fish or vegetation management in the unit as authorized by state law.

(b) Wildlife management areas that are established according to section 86A.05, subdivision 8; designated under section 97A.133 or 97A.145; and at least 40 contiguous acres and less than 160 contiguous acres are exempt from local ordinances that:

(1) restrict trapping;

(2) restrict the discharge of archery equipment;

(3) restrict the discharge of shotguns with shot sizes of F or .22 inch diameter, or smaller diameter shot;

(4) restrict noise;

(5) require dogs on a leash; or

(6) would in any manner restrict the management of vegetation in the unit as authorized by state law.

(c) Existing wildlife management area restrictions in place as of May 1, 2009, under Minnesota Rules, part 6230.0200, or under local ordinance, are not superseded by this section.

Sec. 12. Minnesota Statutes 2008, section 97A.137, is amended by adding a subdivision to read:

Subd. 5. **Portable stands.** Prior to the Saturday on or nearest September 16, a portable stand may be left overnight in a wildlife management area by a person with a valid bear license who is hunting within 100 yards of a bear bait site that is legally tagged and registered as prescribed under section 97B.425. Any person leaving a portable stand overnight under this subdivision must affix the person's name and address to the stand in such a manner that it can be read from the ground.

Sec. 13. Minnesota Statutes 2008, section 97A.405, subdivision 4, is amended to read:

Subd. 4. **Replacement licenses.** (a) The commissioner may permit licensed deer hunters to change zone, license, or season options. The commissioner may issue a replacement license if the applicant submits the original deer license and unused tags that are being replaced and the applicant pays any increase in cost between the original and the replacement license. A refund of the difference in fees may be issued when a person changes from a regular deer license to a youth deer license. ~~When a person submits both an archery and a firearms license for replacement, the commissioner may apply the value of both licenses towards the replacement license fee.~~

(b) A replacement license may be issued only if the applicant has not used any tag from the original license or licenses and meets the conditions of paragraph (c). The original license or licenses and all unused tags for the licenses being replaced must be submitted to the issuing agent at the time the replacement license is issued.

(c) A replacement license may be issued under the following conditions, or as otherwise prescribed by rule of the commissioner:

- (1) when the season for the license being surrendered has not yet opened; or
- (2) when the person is ~~upgrading from a regular firearms or archery deer license to an all season deer license;~~
- (3) ~~when the person is upgrading from a regular firearms license to a multizone deer license; or~~
- (4) ~~when the person is changing from a regular firearms deer license to a youth deer license.~~

(d) Notwithstanding section 97A.411, subdivision 3, a replacement license is valid immediately upon issuance if the license being surrendered is valid at that time.

Sec. 14. Minnesota Statutes 2008, section 97A.421, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) The annual license of a person convicted of a violation of the game and fish laws relating to the license or wild animals covered by the license is void when:

- (1) a second conviction occurs within three years under a license to trap fur-bearing animals, take small game or to take fish by angling or spearing;
- (2) a third conviction occurs within one year under a minnow dealer's license;
- (3) a second conviction occurs within three years for violations of section 97A.425 that do not involve falsifications or intentional omissions of information required to be recorded, or attempts to conceal unlawful acts within the records;
- (4) two or more misdemeanor convictions occur within a three-year period under a private fish hatchery license;
- (5) the conviction occurs under a license not described in clause (1), (2), or (4) or is for a violation of section 97A.425 not described in clause (3); or

(6) the conviction is related to assisting a person in the illegal taking, transportation, or possession of wild animals, when acting as a hunting or angling guide.

(b) Except for big game licenses and as otherwise provided in this section, for one year after the conviction the person may not obtain the kind of license or take wild animals under a lifetime license, issued under section 97A.473 or 97A.474, relating to the game and fish law violation.

Sec. 15. Minnesota Statutes 2008, section 97A.441, subdivision 7, is amended to read:

Subd. 7. **Owners or tenants of agricultural land.** (a) The commissioner may issue, without a fee, a license to take an antlerless deer to a resident who is an owner or tenant, or a nonresident who is an owner, of at least 80 acres of agricultural land, as defined in section 97B.001, in deer permit areas that have deer archery licenses to take additional deer under section 97B.301, subdivision 4. A person may receive only one license per year under this subdivision. For properties with co-owners or cotenants, only one co-owner or cotenant may receive a license under this subdivision per year. The license issued under this subdivision is restricted to land leased for agricultural purposes or owned by the holder of the license within the permit area where the qualifying land is located. The holder of the license may transfer the license to the holder's spouse or dependent. Notwithstanding sections 97A.415, subdivision 1, and 97B.301, subdivision 2, the holder of the license may purchase an additional license for taking deer and may take an additional deer under that license.

(b) A person who obtains a license under paragraph (a) must allow public deer hunting on their land during that deer hunting season, with the exception of the first Saturday and Sunday during the deer hunting season applicable to the license issued under section 97A.475, subdivision 2, ~~clauses (4) and (13)~~ clause (5).

Sec. 16. Minnesota Statutes 2008, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. **Angling; Take a Kid Fishing Weekends.** A resident ~~over age 18~~ age 16 years or older may take fish by angling without an angling or fish house license during one three-day consecutive period of the open water angling season and one three-day consecutive period of the ice angling season designated by rule of the commissioner if accompanied by a child who is under age 16. The commissioner shall publicize the three-day periods as "Take a Kid Fishing Weekend" for the open water angling season and "Take a Kid Ice Fishing Weekend" for the ice angling season.

Sec. 17. Minnesota Statutes 2008, section 97A.451, subdivision 2, is amended to read:

Subd. 2. **Residents under age 16; fishing.** (a) A resident under the age of 16 years may take fish without a license.

(b) A resident under the age of 16 may net ciscoes and whitefish for personal consumption without the license required under section 97A.475, subdivision 13. A resident netting ciscoes and whitefish under this paragraph must follow all other applicable requirements for netting ciscoes and whitefish for personal consumption.

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

Sec. 18. Minnesota Statutes 2008, section 97A.451, is amended by adding a subdivision to read:

Subd. 8. **Residents 90 years of age or older; fishing.** A resident age 90 or older may take fish without a license.

Sec. 19. Minnesota Statutes 2008, section 97A.465, subdivision 1b, is amended to read:

Subd. 1b. **Residents discharged from active service.** (a) A resident who has served at any time during the preceding 24 months in federal active service, as defined in section 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as a reserve component or active duty member of the United States armed forces and has been discharged from active service may take small game and fish without a license if the resident possesses official military discharge papers. The resident must obtain the seals, tags, and coupons required of a licensee, which must be furnished without charge.

(b) The commissioner shall issue, without fee, a deer license, valid for a deer of either sex, to a resident who has served at any time during the preceding 24 months in federal active service, as defined in section 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as a reserve component or active duty member of the United States armed forces and has been discharged from active service. Eligibility under this paragraph is limited to one license per resident.

Sec. 20. Minnesota Statutes 2008, section 97A.475, subdivision 2, is amended to read:

Subd. 2. **Resident hunting.** Fees for the following licenses, to be issued to residents only, are:

- (1) for persons age 18 or over and under age 65 to take small game, \$12.50;
- (2) for persons ages 16 and 17 and age 65 or over, \$6 to take small game;
- (3) for persons age 18 or over to take turkey, \$23;
- (4) for persons under age 18 to take turkey, \$12;
- (5) for persons age 18 or over to take deer with firearms during the regular firearms season, \$26;
- (6) for persons age 18 or over to take deer by archery, \$26;
- (7) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$26;
- (8) to take moose, for a party of not more than six persons, \$310;
- (9) to take bear, \$38;
- (10) to take elk, for a party of not more than two persons, \$250;
- (11) ~~multizone license to take antlered deer in more than one zone, \$52;~~
- (12) to take Canada geese during a special season, \$4;
- (13) ~~all season license to take three deer throughout the state in any open deer season, except as restricted under section 97B.305, \$78;~~
- (14) (12) to take prairie chickens, \$20;
- (15) (13) for persons under age 18 to take deer with firearms during the regular firearms season, \$13;
- (16) (14) for persons under age 18 to take deer by archery, \$13; and

~~(47)~~ (15) for persons under age 18 to take deer by muzzleloader during the muzzleloader season, \$13.

Sec. 21. Minnesota Statutes 2008, section 97A.475, subdivision 3, is amended to read:

Subd. 3. **Nonresident hunting.** (a) Fees for the following licenses, to be issued to nonresidents, are:

(1) for persons age 18 or over to take small game, \$73;

(2) for persons age 18 or over to take deer with firearms during the regular firearms season, \$135;

(3) for persons age 18 or over to take deer by archery, \$135;

(4) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$135;

(5) to take bear, \$195;

(6) for persons age 18 and older to take turkey, \$78;

(7) for persons under age 18 to take turkey, \$12;

(8) to take raccoon or bobcat, \$155;

(9) ~~multizone license to take antlered deer in more than one zone, \$270;~~

~~(40)~~ to take Canada geese during a special season, \$4;

~~(44)~~ (10) for persons under age 18 to take deer with firearms during the regular firearms season in any open season option or time period, \$13;

~~(42)~~ (11) for persons under age 18 to take deer by archery, \$13; and

~~(43)~~ (12) for persons under age 18 to take deer during the muzzleloader season, \$13.

(b) A \$5 surcharge shall be added to nonresident hunting licenses issued under paragraph (a), clauses (1) to ~~(9)~~ (8). An additional commission may not be assessed on this surcharge.

Sec. 22. Minnesota Statutes 2008, section 97A.475, subdivision 7, is amended to read:

Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued to nonresidents, are:

(1) to take fish by angling, \$37.50;

(2) to take fish by angling limited to seven consecutive days selected by the licensee, \$26.50;

(3) to take fish by angling for a 72-hour period selected by the licensee, \$22;

(4) to take fish by angling for a combined license for a family for one or both parents and dependent children under the age of 16, \$50.50;

(5) to take fish by angling for a 24-hour period selected by the licensee, \$8.50; ~~and~~

(6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days selected by one of the licensees, \$38.50; and

(7) to take fish by spearing from a dark house, \$37.50.

(b) A \$2 surcharge shall be added to all nonresident fishing licenses, except licenses issued under paragraph (a), clause (5). An additional commission may not be assessed on this surcharge.

Sec. 23. Minnesota Statutes 2008, section 97A.475, subdivision 11, is amended to read:

Subd. 11. **Fish houses ~~and~~, dark houses, and shelters; residents.** Fees for the following licenses are:

- (1) annual for a fish house ~~or~~, dark house, or shelter that is not rented, \$11.50;
- (2) annual for a fish house ~~or~~, dark house, or shelter that is rented, \$26;
- (3) three-year for a fish house ~~or~~, dark house, or shelter that is not rented, \$34.50; and
- (4) three-year for a fish house ~~or~~, dark house, or shelter that is rented, \$78.

Sec. 24. Minnesota Statutes 2008, section 97A.475, subdivision 12, is amended to read:

Subd. 12. **Fish houses, dark houses, and shelters; nonresident.** Fees for fish house, dark house, and shelter licenses for a nonresident are:

- (1) annual, \$33;
- (2) seven consecutive days, \$19; and
- (3) three-year, \$99.

Sec. 25. Minnesota Statutes 2008, section 97A.475, subdivision 29, is amended to read:

Subd. 29. **Private fish hatcheries.** The fees for the following licenses to be issued to residents and nonresidents are:

- (1) for a private fish hatchery, with annual sales under \$200, \$70;
- (2) for a private fish hatchery, with annual sales of \$200 or more, \$210 for the base license. The commissioner must establish an additional fee based on the acreage of the operation. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish the additional fee required by this subdivision. The fee is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply; and
- (3) to take sucker eggs from public waters for a private fish hatchery, \$400, plus \$6 for each quart in excess of 100 quarts.

Sec. 26. Minnesota Statutes 2008, section 97A.525, subdivision 1, is amended to read:

Subdivision 1. **Residents Generally.** A resident person may transport wild animals ~~within the state~~ by common carrier without being in the vehicle if the resident person has the license required to take the animals and they are shipped to the resident. ~~The wild animals that may be transported by common carrier are:~~ person or to a licensed taxidermist, tanner, or fur buyer.

~~(1) deer, bear, elk, and moose;~~

~~(2) undressed game birds; and~~

~~(3) fish.~~

Sec. 27. Minnesota Statutes 2008, section 97B.035, subdivision 2, is amended to read:

Subd. 2. **Possession of crossbows.** A person may not possess a crossbow ~~outdoors or~~ in a motor vehicle during the open season for any game, unless the crossbow is ~~unstrung, and in a case or in a closed trunk of a motor vehicle~~ not armed with a bolt or arrow.

Sec. 28. Minnesota Statutes 2008, section 97B.045, subdivision 2, is amended to read:

Subd. 2. **Exception for disabled persons.** The restrictions in subdivision 1 do not apply to a disabled person if:

(1) the person possesses a permit under section 97B.055, subdivision 3; and

~~(2) the person is participating in a hunt sponsored by a nonprofit organization under a permit from the commissioner or is hunting on property owned or leased by the person; and~~

~~(3)~~ (2) the firearm is not loaded in the chamber until the vehicle is stationary, or is a hinge action firearm with the action open until the vehicle is stationary.

Sec. 29. Minnesota Statutes 2008, section 97B.045, is amended by adding a subdivision to read:

Subd. 3. **Exceptions; hunting and shooting ranges.** (a) Notwithstanding provisions to the contrary under this chapter, a person may transport an unloaded, uncased firearm, excluding a pistol as defined in paragraph (b), in a motor vehicle while at a shooting range, as defined under section 87A.01, subdivision 3, where the person has received permission from the lawful owner or possessor to discharge firearms; lawfully hunting on private or public land; or travelling to or from a site the person intends to hunt lawfully that day or has hunted lawfully that day, unless:

(1) within the seven-county metropolitan area as defined in section 473.121, subdivision 4;

(2) within an area where the discharge of a firearm has been prohibited under section 471.633;

(3) within the boundaries of a home rule charter or statutory city with a population of 2,500 or more;

(4) on school grounds; or

(5) otherwise restricted under section 97A.091, 97B.081, or 97B.086.

(b) For the purposes of this section, a "pistol" includes a weapon designed to be fired by the use of a single hand and with an overall length less than 26 inches, or having a barrel or barrels of a length less than 18 inches in the case of a shotgun or having a barrel of a length less than 16 inches in the case of a rifle:

(1) from which may be fired or ejected one or more solid projectiles by means of a cartridge or shell or by the action of an explosive or the igniting of flammable or explosive substances; or

(2) for which the propelling force is a spring, elastic band, carbon dioxide, air or other gas, or vapor.

Pistol does not include a device firing or ejecting a shot measuring .18 of an inch, or less, in diameter and commonly known as a "BB gun," a scuba gun, a stud gun, or nail gun used in the construction industry or children's pop guns or toys.

Sec. 30. Minnesota Statutes 2008, section 97B.051, is amended to read:

97B.051 TRANSPORTATION OF ARCHERY BOWS.

Except as specified under section 97B.055, subdivision 2, a person may not transport an archery bow in a motor vehicle unless the bow is: not armed with a bolt or arrow.

~~(1) unstrung;~~

~~(2) completely contained in a case; or~~

~~(3) in the closed trunk or rear most enclosed portion of a motor vehicle that is not accessible from the passenger compartment.~~

Sec. 31. Minnesota Statutes 2008, section 97B.055, subdivision 3, is amended to read:

Subd. 3. **Hunting from vehicle by disabled hunters.** (a) The commissioner may issue a special permit, without a fee, to discharge a firearm or bow and arrow from a stationary motor vehicle to a person who obtains the required licenses and who has a permanent physical disability that is more substantial than discomfort from walking. The permit recipient must be:

(1) unable to step from a vehicle without aid of a wheelchair, crutches, braces, or other mechanical support or prosthetic device; or

(2) unable to walk any distance because of a permanent lung, heart, or other internal disease that requires the person to use supplemental oxygen to assist breathing.

(b) The permanent physical disability must be established by medical evidence verified in writing by a licensed physician or chiropractor. The commissioner may request additional information from the physician or chiropractor if needed to verify the applicant's eligibility for the permit. Notwithstanding section 97A.418, the commissioner may, in consultation with appropriate advocacy groups, establish reasonable minimum standards for permits to be issued under this section. In addition to providing the medical evidence of a permanent disability, the applicant must possess a valid disability parking certificate authorized by section 169.345 or license plates issued under section 168.021.

(c) A person issued a special permit under this subdivision and hunting deer may take a deer of either sex, except in those antlerless permit areas and seasons where no antlerless permits are offered. This subdivision does not authorize another member of a party to take an antlerless deer under section 97B.301, subdivision 3.

(d) A permit issued under this subdivision is valid for five years.

(e) The commissioner may deny, modify, suspend, or revoke a permit issued under this section for cause, including a violation of the game and fish laws or rules.

(f) A person who knowingly makes a false application or assists another in making a false application for a permit under this section is guilty of a misdemeanor. A physician or chiropractor who fraudulently certifies to the commissioner that a person is permanently disabled as described in this section is guilty of a misdemeanor.

(g) Notwithstanding paragraph (d), the commissioner may issue a permit valid for the entire life of the applicant if the commissioner determines that there is no chance that an applicant will become ineligible for a permit under this section and the applicant requests a lifetime permit.

Sec. 32. Minnesota Statutes 2008, section 97B.086, is amended to read:

97B.086 POSSESSION OF NIGHT VISION EQUIPMENT.

(a) A person may not possess night vision ~~goggle~~ equipment while taking wild animals or while having in possession, either individually or as one of a group of persons, a firearm, bow, or other implement that could be used to take wild animals.

(b) This section does not apply to a firearm that is:

(1) unloaded;

(2) in a gun case expressly made to contain a firearm that fully encloses the firearm by being zipped, snapped, buckled, tied, or otherwise fastened without any portion of the firearm exposed; and

(3) in the closed trunk of a motor vehicle.

(c) This section does not apply to a bow that is:

(1) completely encased or unstrung; and

(2) in the closed trunk of a motor vehicle.

(d) If the motor vehicle under paragraph (b) or (c) does not have a trunk, the firearm or bow must be placed in the rearmost location of the vehicle.

~~(e) This section does not apply to night vision goggle equipment possessed by peace officers or military personnel while exercising their duties.~~

Sec. 33. Minnesota Statutes 2008, section 97B.111, subdivision 1, is amended to read:

Subdivision 1. **Establishment; requirements.** The commissioner may establish criteria, special seasons, and limits for persons who have a physical disability to take big game and small game with firearms and by archery in designated areas. A person hunting under this section who has a physical disability must have a verified statement of the disability by a licensed physician and must be participating in a program for physically disabled hunters sponsored by a nonprofit organization that is permitted under subdivision 2. Notwithstanding section 97B.055, subdivision 3, the commissioner may authorize hunt participants to shoot from a stationary motor vehicle. A license is not required for a person to assist a physically disabled person hunting during a special season under this section.

Sec. 34. Minnesota Statutes 2008, section 97B.328, subdivision 3, is amended to read:

Subd. 3. **Definition.** For purposes of this section, "bait or feed" includes grains, fruits, vegetables, nuts, hay, or other food that is capable of attracting or enticing deer and that has been placed by a person. Liquid scents, salt, and minerals, ~~and bird feeders containing grains or nuts that are at least six feet above the ground~~ are not bait or feed. Food that has not been placed by a person and resulting from normal or accepted farming, forest management, wildlife food plantings, orchard management, or other similar land management activities is not bait or feed.

Sec. 35. **[97B.4251] BAITING BEAR; USE OF DRUM.**

Notwithstanding section 97B.425, a private landowner or person authorized by the private landowner may use a drum to bait bear on the person's private land. The drum must be securely chained or cabled to a tree so that it cannot be moved from the site by a bear and the drum may not include a mechanical device for dispensing feed. The drum must be marked with the name and address of the person who registered the bait site. For purposes of this section, "drum" means a 30 gallon or larger drum.

Sec. 36. Minnesota Statutes 2008, section 97B.651, is amended to read:

97B.651 UNPROTECTED MAMMALS AND BIRDS.

Subdivision 1. **Taking unprotected mammals and birds.** Mammals that are unprotected wild animals and unprotected birds may be taken at any time and in any manner, except with artificial lights, or by using a motor vehicle in violation of section 97B.091. Poison may not be used to take unprotected mammals or unprotected birds unless the safety of humans and domestic livestock is ensured. Unprotected mammals and unprotected birds may be possessed, bought, sold, or transported in any quantity, except importation or exportation is restricted as provided in subdivision 2.

Subd. 2. **Taking and possessing live coyotes.** A person may not export a live coyote out of the state or import a live coyote into the state unless authorized under a permit from the commissioner.

Sec. 37. Minnesota Statutes 2008, section 97B.811, subdivision 2, is amended to read:

Subd. 2. **Hours for placing decoys.** Except as provided in subdivisions 3 and 4, a person may not place decoys in public waters or on public lands more than ~~one hour~~ two hours before lawful shooting hours for waterfowl.

Sec. 38. Minnesota Statutes 2008, section 97B.811, subdivision 3, is amended to read:

Subd. 3. **Restrictions on leaving decoys unattended.** During the open season for waterfowl, a person may not leave decoys in public waters between sunset and one hour before lawful shooting hours or leave decoys unattended during other times for more than four consecutive hours unless:

~~(1) the decoys are in waters adjacent to completely surrounded by private land under the control of the hunter; and~~ and there is no public access to the water.

~~(2) there is not natural vegetation growing in water sufficient to partially conceal a hunter.~~

Sec. 39. Minnesota Statutes 2008, section 97B.931, subdivision 1, is amended to read:

Subdivision 1. **Restrictions.** A person may not tend a trap set for wild animals between 10:00 p.m. and 5:00 a.m. Between 5:00 a.m. and 10:00 p.m. a person on foot may use a portable artificial light to tend traps. While using a light in the field, the person may not possess or use a firearm other than a handgun or rifle capable of firing only rimfire cartridges of .17 or .22 caliber including .22 magnum.

Sec. 40. Minnesota Statutes 2008, section 97C.315, subdivision 1, is amended to read:

Subdivision 1. **Lines.** An angler may not use more than one line except two lines may be used to take fish:

~~(1) two lines may be used to take fish through the ice; and through the ice; or~~

(2) ~~the commissioner may, by rule, authorize the use of two lines in areas designated by the commissioner in Lake Superior if the angler purchases a second line endorsement for \$10.~~

Sec. 41. **[97C.346] PROHIBITION ON RETURNING CERTAIN NETTED ROUGH FISH TO WATERS.**

A person may not release carp or buffalo taken by netting back into the water.

Sec. 42. Minnesota Statutes 2008, section 97C.355, subdivision 2, is amended to read:

Subd. 2. **License required.** A person may not leave a dark house ~~or~~, fish house, or shelter unattended on the ice at any time between midnight and one hour before sunrise unless the house or shelter is licensed and has ~~a~~ the license tag attached to the exterior in a readily visible location, except as provided in this subdivision. The commissioner must issue a tag with a dark house ~~or~~, fish house, or shelter license, marked with a number to correspond with the license and the year of issue. A dark house ~~or~~, fish house, or shelter license is not required of a resident on boundary waters where the adjacent state does not charge a fee for the same activity.

Sec. 43. Minnesota Statutes 2008, section 97C.371, is amended by adding a subdivision to read:

Subd. 5. **Nonresidents.** Nonresidents may spear from a fish house or dark house.

Sec. 44. Minnesota Statutes 2008, section 97C.385, subdivision 2, is amended to read:

Subd. 2. ~~Summer Angling limits must be same as and spearing limits.~~ (a) If the commissioner reduces the limit of a species of game fish taken by spearing in any waters under section 97A.045, subdivision 2, the commissioner must reduce the limit for taking of the species by angling in the waters during the following open season for angling.

(b) The commissioner shall not limit the size of a northern pike allowed to be taken by spear.

Sec. 45. Minnesota Statutes 2008, section 97C.395, subdivision 1, is amended to read:

Subdivision 1. **Dates for certain species.** (a) The open seasons to take fish by angling are as follows:

(1) for walleye, sauger, northern pike, muskellunge, largemouth bass, and smallmouth bass, the Saturday two weeks prior to the Saturday of Memorial Day weekend to the last Sunday in February;

(2) for lake trout, from January 1 to October 31;

(3) for the winter season for lake trout on all lakes located outside or partially within the Boundary Waters Canoe Area, from January 15 to March 31;

(4) for the winter season for lake trout on all lakes located entirely within the Boundary Waters Canoe Area, from January 1 to March 31;

(5) for brown trout, brook trout, rainbow trout, and splake, between January 1 to October 31 as prescribed by the commissioner by rule except as provided in section 97C.415, subdivision 2;

~~(5)~~ (6) for the winter season for brown trout, brook trout, rainbow trout, and splake on all lakes, from January 15 to March 31; and

(6) (7) for salmon, as prescribed by the commissioner by rule.

(b) The commissioner shall close the season in areas of the state where fish are spawning and closing the season will protect the resource.

Sec. 46. Laws 2008, chapter 368, article 2, section 25, the effective date, is amended to read:

EFFECTIVE DATE. The amendments to paragraph (a) are effective March 1, ~~2009~~ 2010.

EFFECTIVE DATE. This section is effective retroactively from March 1, 2009.

Sec. 47. **ELK MANAGEMENT PLAN.**

(a) Within 90 days of the effective date of this section, the commissioner of natural resources shall:

(1) develop an elk management plan consistent with the requirements under Minnesota Statutes, section 97B.516;

(2) present the elk management plan to the Kittson, Marshall, and Roseau County Boards; and

(3) begin implementing the plan.

(b) If the commissioner fails to meet all the requirements in paragraph (a), the commissioner shall establish an open season for elk in Kittson, Marshall, and Roseau Counties to begin in 2009 and continue until the elk population reaches 30 or less in Marshall County and 30 or less in Kittson County.

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

Sec. 48. **RULEMAKING.**

(a) The commissioner of natural resources shall adopt or amend rules to establish minimum size limits for muskellunge on inland waters consistent with the provisions of this section. The commissioner must:

(1) establish a 48-inch statewide minimum size restriction for muskellunge and muskellunge-northern pike hybrids in inland waters, except for the lakes listed in clause (2) that are managed specifically for muskellunge-northern pike hybrids in Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties; and

(2) establish a 40-inch minimum size restriction for muskellunge-northern pike hybrids in the following lakes in Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties:

<u>LAKE</u>	<u>COUNTY</u>
<u>Bryant</u>	<u>Hennepin</u>
<u>Bush</u>	<u>Hennepin</u>
<u>Calhoun</u>	<u>Hennepin</u>
<u>Cedar</u>	<u>Hennepin</u>
<u>Cedar</u>	<u>Scott</u>
<u>Clear</u>	<u>Washington</u>
<u>Crystal</u>	<u>Dakota</u>
<u>Crystal</u>	<u>Hennepin</u>
<u>Eagle</u>	<u>Carver</u>

<u>Elmo</u>	<u>Washington</u>
<u>Gervais</u>	<u>Ramsey</u>
<u>Island</u>	<u>Ramsey</u>
<u>Isles</u>	<u>Hennepin</u>
<u>Johanna</u>	<u>Ramsey</u>
<u>Nokomis</u>	<u>Hennepin</u>
<u>Orchard</u>	<u>Dakota</u>
<u>Phalen</u>	<u>Ramsey</u>
<u>Pierson</u>	<u>Carver</u>
<u>Silver</u>	<u>Ramsey</u>
<u>Wasserman</u>	<u>Carver</u>
<u>Weaver</u>	<u>Hennepin</u>

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt the rules. Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

Sec. 49. **LET'S GO FISHING; APPROPRIATION.**

\$150,000 in fiscal year 2010 and \$150,000 in fiscal year 2011 are appropriated from the game and fish fund to the commissioner of natural resources for grants to Let's Go Fishing of Minnesota to provide community outreach to senior citizens, youth, and veterans and for the costs associated with the establishment and recruitment of new chapters. The grants must be matched with cash or in-kind contributions from nonstate sources.

Sec. 50. **REPEALER.**

Minnesota Statutes 2008, sections 97A.525, subdivision 2; 97B.301, subdivisions 7 and 8; and 97C.405, are repealed.

ARTICLE 2

STATE LAND ADMINISTRATION

Section 1. Minnesota Statutes 2008, section 84.0273, is amended to read:

84.0273 ESTABLISHMENT OF BOUNDARY LINES RELATING TO CERTAIN STATE LANDHOLDINGS.

(a) In order to resolve boundary line issues affecting the ownership interests of the state and adjacent landowners, the commissioner of natural resources may, in the name of the state upon terms the commissioner deems appropriate, convey, by a boundary line agreement, quitclaim deed, or management agreement in such form as the attorney general approves, such rights, titles, and interests of the state in state lands for such rights, titles and interests in adjacent lands as are necessary for the purpose of establishing boundaries. A notice of the proposed conveyance and a brief statement of the reason therefor shall be published once in the State Register by the commissioner between 15 and 30 days prior to conveyance. The provisions of this ~~section~~ paragraph are not intended to replace or supersede laws relating to land exchange or disposal of surplus state property.

(b) In order to resolve trespass issues affecting the ownership interests of the state and adjacent landowners, the commissioner of natural resources, in the name of the state, may sell surplus lands not needed for natural resource purposes at private sale to adjoining property owners and leaseholders. The conveyance must be by quitclaim in a form approved by the attorney general for a consideration not less than the value determined according to section 94.10, subdivision 1.

(c) Paragraph (b) applies to all state-owned lands managed by the commissioner of natural resources, except school trust land as defined in section 92.025. For acquired lands, the commissioner may sell the surplus lands as provided in paragraph (b) notwithstanding the offering to public entities, public sale, and related notice and publication requirements of sections 94.09 to 94.165. For consolidated conservation lands, the commissioner may sell the surplus lands as provided in paragraph (b) notwithstanding the classification and public sale provisions of chapters 84A and 282.

Sec. 2. **[84.0277] CAMP RIPLEY BUFFER EASEMENTS.**

Subdivision 1. **Acquisition authorized.** The commissioner may acquire, from willing sellers, perpetual conservation easements on behalf of the state and federal government consistent with Camp Ripley's Army compatible use buffer project. This project is geographically defined as a three-mile zone around Camp Ripley in central Minnesota.

Subd. 2. **Payments; terms.** Notwithstanding sections 84.0272, subdivision 1, and 84.0274, subdivision 5, paragraph (b), the commissioner may make payments to a landowner under this subdivision to acquire a perpetual conservation easement according to subdivision 1. The onetime payment may be based on the following:

(1) if the easement prohibits the construction of any new buildings or permanent structures upon the land, the commissioner may pay 60 percent of the most recent assessed market value of the land as determined by the county assessor of the county in which the land is located; or

(2) if the easement prohibits the construction of any new buildings or permanent structures upon the land and grants the public the right to access the land for natural resource-based outdoor recreation, the commissioner may pay 70 percent of the most recent assessed market value of the land as determined by the county assessor of the county in which the land is located.

Sec. 3. Minnesota Statutes 2008, section 85.015, subdivision 13, is amended to read:

Subd. 13. **Arrowhead Region Trails, in Cook, Lake, St. Louis, Pine, Carlton, Koochiching, and Itasca Counties.** (a)(1) The Taconite Trail shall originate at Ely in St. Louis County and extend southwesterly to Tower in St. Louis County, thence westerly to McCarthy Beach State Park in St. Louis County, thence southwesterly to Grand Rapids in Itasca County and there terminate;

(2) The ~~Northshore~~ C. J. Ramstad Memorial Trail shall originate in Duluth in St. Louis County and extend northeasterly to Two Harbors in Lake County, thence northeasterly to Grand Marais in Cook County, thence northeasterly to the international boundary in the vicinity of the north shore of Lake Superior, and there terminate;

(3) The Grand Marais to International Falls Trail shall originate in Grand Marais in Cook County and extend northwesterly, outside of the Boundary Waters Canoe Area, to Ely in St. Louis County, thence southwesterly along the route of the Taconite Trail to Tower in St. Louis County, thence northwesterly through the Pelican Lake area in St. Louis County to International Falls in Koochiching County, and there terminate.

(b) The trails shall be developed primarily for riding and hiking.

(c) In addition to the authority granted in subdivision 1, lands and interests in lands for the Arrowhead Region trails may be acquired by eminent domain. Before acquiring any land or interest in land by eminent domain the commissioner of administration shall obtain the approval of the governor. The governor shall consult with the Legislative Advisory Commission before granting approval. Recommendations of the Legislative Advisory Commission shall be advisory only. Failure or refusal of the commission to make a recommendation shall be deemed a negative recommendation.

Sec. 4. Minnesota Statutes 2008, section 282.04, subdivision 1, is amended to read:

Subdivision 1. **Timber sales; land leases and uses.** (a) The county auditor may sell timber upon any tract that may be approved by the natural resources commissioner. The sale of timber shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county. Any timber offered at the public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until the time as the county board may withdraw the timber from sale. The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources.

(b) Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale, except in the case of oral or sealed bid auction sales, the down payment shall be no less than 15 percent of the appraised value, and the balance shall be paid prior to entry. In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be no less than 15 percent of the appraised price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block. The value of each separate block must be paid in full before any cutting may begin in that block. With the permission of the county contract administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for. If payment is provided as specified in this paragraph as security under paragraph (a) and no cutting has taken place on the contract, the county auditor may credit the security provided, less any down payment required for an auction sale under this paragraph, to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited, provided the request and transfer is made within the same calendar year as the security was received.

(c) The county board may sell any timber, including biomass, as appraised or scaled. Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale under paragraph (a), in which case the notice shall contain a description of the parcels, a statement of the estimated quantity of each species of timber, and the appraised price of each species of timber for 1,000 feet, per cord or per piece, as the case may be. In those cases any bids offered over and above the appraised prices shall be by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on the land. The purchaser of timber from the parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of the sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of the sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from the parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by the purchaser when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of timber not exceeding \$3,000 in appraised valuation may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of a sale involving a total appraised value of more than \$200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two of the sales, directly or indirectly to any individual shall be in effect at one time.

(d) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private sale, and at the prices and under the terms as the county board may prescribe, for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumpage, sand, gravel, clay, rock, marl, and black dirt from the land, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than \$12,000 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by the cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county.

(e) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations, or organized subdivisions of the state at public or private sale, at the prices and under the terms as the county board may prescribe, for the purpose of taking and removing for use for road construction and other purposes tax-forfeited stockpiled iron-bearing material. The county auditor must determine that the material is needed and suitable for use in the construction or maintenance of a road, tailings basin, settling basin, dike, dam, bank fill, or other works on public or private property, and that the use would be in the best interests of the public. No lease shall exceed ten years. The use of a stockpile for these purposes must first be approved by the commissioner of natural resources. The request shall be deemed approved unless the requesting county is notified to the contrary by the commissioner of natural resources within six months after receipt of a request for approval for use of a stockpile. Once use of a stockpile has been approved, the county may continue to lease it for these purposes until approval is withdrawn by the commissioner of natural resources.

(f) The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, or to use for facilities needed to recover iron-bearing oxides from tailings basins or stockpiles, or for a buffer area needed for a mining operation, upon the conditions and for the consideration and for the period of time, not exceeding ~~15~~ 25 years, as the county board may determine. The permits, licenses, or leases are subject to approval by the commissioner of natural resources.

(g) Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor.

(h) The county auditor may, with the approval of the county board, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat and for the production or removal of farm-grown closed-loop biomass as defined in section 216B.2424, subdivision 1, or short-rotation woody crops from tax-forfeited lands upon the terms and conditions as the county board may prescribe. Any lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops from tax-forfeited lands must first be reviewed and approved by the commissioner of natural resources if the lease covers 320 or more acres. No lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops shall be made by the county auditor pursuant to this section without first holding a public hearing on the auditor's intention to lease. One printed notice in a legal newspaper in the county at least ten days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

(i) Notwithstanding any provision of paragraph (c) to the contrary, the St. Louis County auditor may, at the discretion of the county board, sell timber to the party who bids the highest price for all the several kinds of timber, as provided for sales by the commissioner of natural resources under section 90.14. Bids offered over and above the appraised price need not be applied proportionately to the appraised price of each of the different species of timber.

(j) In lieu of any payment or deposit required in paragraph (b), as directed by the county board and under terms set by the county board, the county auditor may accept an irrevocable bank letter of credit in the amount equal to the amount otherwise determined in paragraph (b). If an irrevocable bank letter of credit is provided under this paragraph, at the written request of the purchaser, the county may periodically allow the bank letter of credit to be reduced by an amount proportionate to the value of timber that has been harvested and for which the county has received payment. The remaining amount of the bank letter of credit after a reduction under this paragraph must not be less than 20 percent of the value of the timber purchased. If an irrevocable bank letter of credit or cash deposit is provided for the down payment required in paragraph (b), and no cutting of timber has taken place on the contract for which a letter of credit has been provided, the county may allow the transfer of the letter of credit to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited.

Sec. 5. Laws 1996, chapter 407, section 32, subdivision 3, is amended to read:

Subd. 3. **Acquisition and management.** The commissioner of natural resources is authorized to acquire by gift, lease, or purchase the lands for the Iron Range off-highway vehicle recreation area. Any lease with local government units shall be for at least ten years and may be paid up front at the request of either party. The commissioner shall manage the unit as a state recreation area as provided by Minnesota Statutes, section 86A.05, subdivision 3. The commissioner or the commissioner's designee in the trails and waterways division of the department of natural resources shall develop and manage the area for off-highway vehicle recreational use.

Sec. 6. Laws 2008, chapter 368, article 1, section 21, subdivision 4, is amended to read:

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

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

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

(3) that part of Government Lot 6 ~~and~~ that part of Government Lot 7, ~~and that part of Government Lot 8 of~~ Section 6, Township 107 North, Range 40 West, and that part of Government Lot 1 and that part of Government Lot 2 of Section 7, Township 107 North, Range 40 West, Murray County, Minnesota, described as follows:

Commencing at the East Quarter Corner of said Section 6; thence on a bearing based on the 1983 Murray County Coordinate System (1996 Adjustment), of South 00 degrees ~~22 minutes 05 seconds East 1405.16~~ 17 minutes 23 seconds East 1247.75 feet along the east line of said Section 6; thence ~~North 89 degrees 07 minutes 01 second West 4942.39~~ South 88 degrees 39 minutes 00 seconds West 1942.74 feet; thence South 03 degrees 33 minutes 00 seconds West 94.92 feet to the northeast corner of Block 5 of FORMAN ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office; thence South 14 degrees 34 minutes 00 seconds West 525.30 feet along the easterly line of said Block 5 and along the easterly line of the Private Roadway of FORMAN ACRES to the southeasterly corner of said Private Roadway and the POINT OF BEGINNING; thence North 82 degrees 15 minutes 00 seconds West 796.30 feet along the southerly line of said Private Roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 64 degrees 28 minutes 26 seconds West 100.06 feet along the southerly line of said Private Roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 33 degrees 01 minute 32 seconds West 279.60 feet along the southerly line of said Private Roadway to an angle point on said line; thence South 76 degrees 04 minutes 52 seconds West 766.53 feet along the southerly line of said Private Roadway to a 3/4 inch diameter rebar with a plastic cap stamped "MN DNR LS 17003" (DNR MON); thence South 16 degrees 24 minutes 50 seconds West 470.40 feet to a DNR MON; thence

South 24 degrees 09 minutes 57 seconds West 262.69 feet to a DNR MON; thence South 08 degrees 07 minutes 09 seconds West 332.26 feet to a DNR MON; thence North 51 degrees 40 minutes 02 seconds West 341.79 feet to the east line of Lot A of Lot 1 of LOT A OF GOV. LOT 8, OF SEC. 6 AND LOT A OF GOV. LOT 1, OF SEC 7 TP. 107 RANGE 40, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and a DNR MON; thence South 14 degrees 28 minutes 55 seconds West 71.98 feet along the east line of said Lot A to the northerly most corner of Lot 36 of HUDSON ACRES, according to the record plat thereof on file and of record in the Murray County Recorder's Office and an existing steel fence post; thence South 51 degrees 37 minutes 05 seconds East 418.97 feet along the northeasterly line of said Lot 36 and along the northeasterly line of Lots 35, 34, 33, 32 of HUDSON ACRES to an existing 1 inch inside diameter iron pipe marking the easterly most corner of Lot 32 and the most northerly corner of Lot 31A of HUDSON ACRES; thence South 48 degrees 33 minutes 10 seconds East 298.26 feet along the northeasterly line of said Lot 31A to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner thereof and the most northerly corner of Lot 31 of HUDSON ACRES; thence South 33 degrees 53 minutes 30 seconds East 224.96 feet along the northeasterly line of said Lot 31 and along the northeasterly line of Lots 30 and 29 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 29 and the most northerly corner of Lot 28 of HUDSONS HUDSON ACRES; thence South 45 degrees 23 minutes 54 seconds East 375.07 feet along the northeasterly line of said Lot 28 and along the northeasterly line of Lots 27, 26, 25, 24 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 24 and the most northerly corner of Lot 23 of HUDSON ACRES; thence South 64 degrees 39 minutes 53 seconds East 226.80 feet along the northeasterly line of said Lot 23 and along the northeasterly line of Lots 22 and 21 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 21 and the most northerly corner of Lot 20 of HUDSON ACRES; thence South 39 degrees 49 minutes 49 seconds East 524.75 feet along the northeasterly line of said Lot 20 and along the northeasterly line of Lots 19, 18, 17, 16, 15, 14 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 14 and the most northerly corner of Lot 13 of HUDSON ACRES; thence South 55 degrees 31 minutes 43 seconds East 225.11 feet along the northeasterly line of said Lot 13 and along the northeasterly line of Lots 12 and 11 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 11 and the northwest corner of Lot 10 of HUDSON ACRES; thence South 88 degrees 03 minutes 49 seconds East 224.90 feet along the north line of said Lot 10 and along the north line of Lots 9 and 8 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the northeast corner of said Lot 8 and the northwest corner of Lot 7 of HUDSON ACRES; thence North 84 degrees 07 minutes 37 seconds East 525.01 feet along the north line of said Lot 7 and along the north line of Lots 6, 5, 4, 3, 2, 1 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the northeast corner of said Lot 1 of HUDSON ACRES; thence southeasterly, easterly and northerly along a non-tangential curve concave to the north having a radius of 50.00 feet, central angle 138 degrees ~~41 minutes 58 seconds~~ 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 63 degrees 30 minutes 12 seconds East; thence continuing northwesterly and westerly along the previously described curve concave to the south having a radius of 50.00 feet, central angle 138 degrees 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 75 degrees 11 minutes 47 seconds West and a DNR MON; thence South 84 degrees 09 minutes 13 seconds West not tangent to said curve 520.52 feet to a DNR MON; thence North 88 degrees 07 minutes 40 seconds West 201.13 feet to a DNR MON; thence North 55 degrees 32 minutes 12 seconds West 196.66 feet to a DNR MON; thence North 39 degrees 49 minutes 59 seconds West 530.34 feet to a DNR MON; thence North 64 degrees 41 minutes 41 seconds West 230.01 feet to a DNR MON; thence North 45 degrees 23 minutes 00 seconds West 357.33 feet to a DNR MON; thence North 33 degrees 53 minutes ~~32~~ 30 seconds West 226.66 feet to a DNR MON; thence North 48 degrees 30 minutes 31 seconds West 341.45 feet to a DNR MON; thence North 08 degrees 07 minutes 09 seconds East 359.28 feet to a DNR MON; thence North 24 degrees 09 minutes ~~58~~ 57 seconds East 257.86 feet to a DNR MON; thence North 16 degrees 24 minutes 50 seconds East 483.36 feet to a DNR MON; thence North 76 degrees 04 minutes ~~53~~ 52 seconds East 715.53 feet to a DNR MON; thence North 33 degrees 01 minute 32 seconds East 282.54 feet to a DNR MON; thence North 64 degrees 28 minutes ~~25~~ 26 seconds East 84.97 feet to a DNR MON; thence South 82 degrees 15 minutes 00 seconds East 788.53 feet to a DNR MON; thence North 07 degrees 45 minutes 07 seconds East 26.00 feet to the point of beginning; containing 7.55 acres.

Sec. 7. Laws 2008, chapter 368, article 1, section 21, subdivision 5, is amended to read:

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

(1) Parcel A: the West 660.00 feet of the Southwest Quarter of the Northeast Quarter of Section 28;

(2) Parcel B: the West 660.00 feet of the Northwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to a taking for highway purposes of a 100.00-foot wide strip for access and also subject to highway and road easements;

(3) Parcel C: the West 660.00 feet of the Southwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to taking for highway purposes of a road access under S.P. 0919 (311-311) 901 from State Trunk Highway 73 to old County Road 21, said access being 100.00 feet in width with triangular strips of land adjoining it at the northerly line of State Trunk Highway 73, and subject to highway and road easements;

(4) Parcel G: that part of Government Lot \pm 2 of Section 28, which lies northerly of the westerly extension of the northerly line of the Southwest Quarter of the Northeast Quarter of said Section 28, and southerly of the westerly extension of the northerly line of the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of said Section 28;

(5) Parcel H: the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of Section 28;

(6) Parcel I: the Southwest Quarter of the Northeast Quarter of Section 28, except the West 660.00 feet of said Southwest Quarter; and

(7) Parcel J: that part of the North One-Half of the Southeast Quarter of Section 28, described as follows: Commencing at the northwest corner of said North One-Half of the Southeast Quarter; thence South 89 degrees 57 minutes 36 seconds East along the north line of said North One-Half of the Southeast Quarter a distance of 660.01 feet to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter and the actual point of beginning; thence continue South 89 degrees 57 minutes 36 seconds East along the north line of said North One-Half of the Southeast Quarter a distance of 657.40 feet to the southeast corner of the Southwest Quarter of the Northeast Quarter of said Section 28; thence South 00 degrees 19 minutes 17 seconds West, parallel to the west line of said North One-Half of the Southeast Quarter a distance of 715.12 feet to the westerly right-of-way of US Interstate Highway 35; thence along said westerly right-of-way of US Interstate Highway 35 a distance of 457.86 feet on a nontangential curve, concave to the southeast, having a radius of 1,054.93 feet, a central angle of 24 degrees 52 minutes 03 seconds, and a chord bearing of South 39 degrees 00 minutes 37 seconds West; thence South 46 degrees 44 minutes 11 seconds West along said westerly right-of-way of US Interstate Highway 35 a distance of 295.30 feet to the northerly right-of-way of Minnesota Trunk Highway 73; thence 163.55 feet along said northerly right-of-way of Minnesota Trunk Highway 73 on a nontangential curve, concave to the south, having a radius of 1,984.88 feet, a central angle of 4 degrees 43 minutes 16 seconds, and a chord bearing of South 77 degrees 39 minutes 40 seconds West to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter; thence North 00 degrees 19 minutes 17 seconds East a distance of 1,305.90 feet, more or less, to the point of beginning and there terminating.

Sec. 8. **ADDITIONS TO STATE PARKS.**

Subdivision 1. [85.012] [Subd. 18.] Fort Snelling State Park, Ramsey, Hennepin and Dakota Counties. The following area is added to Fort Snelling State Park, Hennepin County: that part of Section 20, Township 29 North, Range 23 West, described as follows: From monument number 2, located on the westerly extension of the south

boundary of the U.S. Department of the Interior, Bureau of Mines; thence South 89 degrees 52 minutes 00 seconds East along said south boundary of the Bureau of Mines, 478.97 feet to reference point 1 on the easterly right-of-line of Trunk Highway No. 55 and the point of beginning; thence South 48 degrees 48 minutes 53 seconds East, 458.74 feet along the easterly right-of-way line of said Trunk Highway No. 55; thence North 23 degrees 48 minutes 00 seconds East, 329.00 feet to the south boundary of the Bureau of Mines; thence North 89 degrees 52 minutes 00 seconds West, 478.07 feet along said south boundary of the Bureau of Mines to the point of beginning.

Subd. 2. [85.012] [Subd. 42.] Mille Lacs Kathio State Park, Mille Lacs County. The following areas are added to Mille Lacs Kathio State Park, Mille Lacs County:

(1) Government Lot 4 of the Northwest Quarter of the Northwest Quarter; all in Section 25, Township 42, Range 27, less a tract to highway described as follows: Commencing at a point approximately 270.0 feet East of the southwest corner of Government Lot 4, Section 25, Township 42 North, Range 27 West, Engineers Station 71+00; thence North 26 degrees 56 minutes West to the west line of Section 25 at Engineers Station 77+07.4 a distance of 607.4 feet and there terminating. The above describes the center line of an 82.5-foot right-of-way for the reconstruction of County State-Aid Highway No. 26 and contains 0.23 acres in addition to the present 66-foot right-of-way, Mille Lacs County, Minnesota;

(2) Government Lot 5, Section 25, Township 42, Range 27;

(3) that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota, EXCEPT that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota, described as follows: Beginning at the northeast corner of said Government Lot 1; thence North 89 degrees 09 minutes 54 seconds West, bearing based on Mille Lacs County Coordinate System, along the north line of said Government Lot 1 a distance of 665.82 feet to a 3/4 inch iron rod with survey cap stamped "MN DNR LS 16098" (DNR monument); thence South 00 degrees 00 minutes 00 seconds West a distance of 241.73 feet to a DNR monument; thence continuing South 00 degrees 00 minutes 00 seconds West a distance of 42.18 feet to a P.K. nail in the centerline of County Road 26; thence southeasterly along the centerline of County Road 26 a distance of 860 feet, more or less, to the east line of said Government Lot 1; thence North 00 degrees 22 minutes 38 seconds East along the east line of said Government Lot 1 a distance of 763 feet, more or less, to the point of beginning, containing 6.6 acres, more or less. AND EXCEPT, that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, described as follows: Commencing at a point where the west line of the Northwest Quarter of the Northwest Quarter, Section 25, Township 42, Range 27, intersects the meander line of lake commonly known and designated as "Warren Lake"; thence North along the west line of said forty a distance of 20 rods; thence West at right angles to the meander line of said Warren Lake; thence in a southeasterly direction to the point of beginning; and

(4) Government Lot 2, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota.

Sec. 9. DELETIONS FROM STATE PARKS.

Subdivision 1. [85.012] [Subd. 21.] Lake Bemidji State Park, Beltrami County. The following area is deleted from Lake Bemidji State Park, all in Beltrami County: that part of Government Lot 5, Section 24, Township 147 North, Range 33 West, Beltrami County, Minnesota described as follows: Commencing at the most easterly corner of Lot 2, Block 1, Shady Cove, according to the recorded plat thereof; thence northeasterly along the northeasterly extension of the line between Lots 1 and 2, Block 1 in said plat, a distance of 66.00 feet, to the point of beginning of the land to be described; thence continuing along last described course a distance of 150.00 feet; thence deflecting to the left 90 degrees 00 minutes 00 seconds, a distance of 607.70 feet; thence westerly along a line perpendicular to the westerly boundary of said Government Lot 5 to the west line of said Government Lot 5; thence South along the westerly boundary of said Government Lot 5 to intersect a line 66.00 feet northeasterly of, as measured at a right angle to and parallel with the northeasterly line of Block 1, said Shady Cove; thence southeasterly along said parallel line to the point of beginning.

Subd. 2. [85.012] [Subd. 24a.] Great River Bluffs State Park, Winona County. The following areas are deleted from Great River Bluffs State Park, Winona County:

(1) beginning at a point 200 feet West from the southeast corner of Lot 2, Section 26, Township 106 North, Range 5 West; thence West on lot line between Lots 2 and 3, 380 feet; thence North 58 degrees East, 320 feet; thence South 32 degrees East, 205 feet to place of beginning, containing 85/100 of an acre, more or less, Winona County, Minnesota;

(2) commencing at a point 200 feet West from the northeast corner of Lot 3, Section 26, Township 106 North, Range 5 West; thence South 33 degrees East 300 feet; thence South 58 degrees West 290 feet; thence North 32 degrees West, 490 feet to the lot line between Lots 2 and 3; thence East 350 feet to the place of beginning, containing 3 acres, more or less, Winona County, Minnesota;

(3) that part of the recorded plat of East Richmond, Winona County, Minnesota, lying within Section 27, Township 106 North, Range 5 West, that lies northwesterly of the southeasterly line of Jefferson Street, as dedicated in said plat and that lies southwesterly of the southwesterly right-of-way line of U.S. Highway No. 61;

(4) Lots 7 and 8, Block B, of Fern Glen Acres, the same being located upon and forming a part of Government Lot 1, Section 35; Lot 9 in Block B of Fern Glen Acres, township of Richmond, according to the recorded plat thereof; beginning at the southeast corner of Lot 9, Block B, Fern Glen Acres, South 33 degrees East 140 feet; thence South 70 degrees West 208 feet; thence North 33 degrees West 140 feet to the southwest line of Lot 9, Block B, Fern Glen Acres; thence North 57 degrees East on the southwest line of Lot 9, Block B, Fern Glen Acres, to place of beginning, all in Government Lot 1, Section 35, Township 106 North, Range 5 West, containing 3/4 acre more or less;

(5) that part of Government Lot 1, Section 35, Township 106, Range 5, Winona County, Minnesota, which is more particularly bounded and described as follows, to wit: Commencing at the southwest corner of Lot 9 of Block "B" of the Plat of Fern Glen Acres; thence in a northeasterly direction and along the southerly line of said Lot 9 for a distance of 36.0 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 107.81 feet to an iron pipe which marks the point of beginning; thence continue in a southeasterly direction along the last described course for a distance of 73.78 feet; thence deflect to the left 9 degrees 04 minutes, for a distance of 32.62 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 73.23 feet; thence deflect to the right 89 degrees 20 minutes, for a distance of 104.04 feet; thence deflect to the right 9 degrees 44 minutes, for a distance of 35.00 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 64.75 feet; thence deflect to the right on a curve (Delta angle 90 degrees 00 minutes, radius 20.00 minutes) for an arc distance of 31.42 feet, more or less, to the point of beginning;

(6) that part of Government Lot 1, Section 35, Township 106, Range 5, Winona County, Minnesota, which is more particularly bounded and described as follows: Commencing at the southwest corner of Lot 9 of Block "B" of Fern Glen Acres; thence in a northeasterly direction along the southerly line of said Lot 9, a distance of 56.00 feet; thence at a deflection angle to the right of 90 degrees 00 minutes a distance of 180.00 feet to an iron pipe monument which marks the point of beginning; thence at a deflection angle to the left of 80 degrees 56 minutes 00 seconds a distance of 113.20 feet to the southerly right-of-way of U.S. Highway No. 61; thence at a deflection angle to the right of 84 degrees 18 minutes 00 seconds and southeasterly along the southerly right-of-way line of said U.S. Highway No. 61 a distance of 147.73 feet; thence at a deflection angle to the right of 87 degrees 12 minutes 30 seconds a distance of 193.87 feet; thence at a deflection angle to the right of 88 degrees 45 minutes 30 seconds a distance of 132.18 feet; thence at a deflection angle to the right of 90 degrees 40 minutes 00 seconds a distance of 93.23 feet; thence at a deflection angle to the left of 90 degrees 00 minutes 00 seconds a distance of 30.35 feet, more or less, to the point of beginning;

(7) that part of Government Lot 1, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, which is more particularly bounded and described as follows: Commencing at the southwest corner of Lot 9 of Block "B" of the Plat of Fern Glen Acres; thence in a northeasterly direction along the southerly line of said Lot 9 a

distance of 56.00 feet; thence at a deflection angle to the right of 90 degrees 00 minutes a distance of 180.00 feet; thence at a deflection angle to the left of 9 degrees 04 minutes 00 seconds a distance of 164.29 feet to an iron pipe monument which marks the point of beginning; thence at a deflection angle to the left of 89 degrees 25 minutes 30 seconds a distance of 102.19 feet to the southerly right-of-way line of U.S. Highway No. 61; thence at a deflection angle to the right of 92 degrees 47 minutes 30 seconds and southeasterly along the southerly right-of-way line of said U.S. highway a distance of 85.10 feet; thence at a deflection angle to the right of 87 degrees 12 minutes 30 seconds a distance of 187.89 feet; thence at a deflection angle to the right of 88 degrees 45 minutes 30 seconds a distance of 85.02 feet; thence at a deflection angle to the right of 91 degrees 14 minutes 30 seconds a distance of 91.68 feet, more or less, to the point of beginning;

(8) that part of Government Lots 1 and 2, Section 35, Township 106, Range 5, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe and the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 107.35 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 12.11 feet; thence South 40 degrees 29 minutes 30 seconds East 100.7 feet; thence North 48 degrees 30 minutes 30 seconds East 17.83 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 111.83 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 70.61 feet to an iron pipe at a point on the southerly boundary line of Minnesota Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 100.7 feet on a bearing North 40 degrees 29 minutes 30 seconds West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 80.54 feet to the point of beginning;

(9) that part of Government Lots 1 and 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 101.05 feet to an iron pipe being the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 17.56 feet; thence South 41 degrees 53 minutes East 192.4 feet; thence North 48 degrees 30 minutes 30 seconds East 94.05 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 105.95 feet to an iron pipe at a point on the southerly boundary line of U.S. Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 192.4 feet on a bearing of North 41 degrees 53 minutes West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 70.61 feet to the point of beginning;

(10) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes East 296.1 feet; thence South 46 degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe, the point of beginning; thence North 48 degrees 30 minutes 30 seconds East 52.45 feet to an iron pipe at a point on the southerly boundary line of Minnesota Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 76.80 feet on a bearing of North 43 degrees 09 minutes 30 seconds West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 105.95 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 94.05 feet; thence South 43 degrees 09 minutes 30 seconds East 76.80 feet; thence North 48 degrees 30 minutes 30 seconds East 55.93 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 91.62 feet to the point of beginning;

(11) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota described as follows: Commencing at the southwest corner of Lot 8 of the Plat of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46

degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe which is the point of beginning; thence South 48 degrees 30 minutes 30 seconds West and along the south line of the property heretofore conveyed by Deed in Book 237 of Deeds on Page 693, for a distance of 147.55 feet; thence South 44 degrees 33 minutes 19 seconds East 127.91 feet; thence North 43 degrees 53 minutes 30 seconds East and along the northerly line of the property heretofore conveyed by Deed to Vincent Zanon in Book 252 of Deeds on page 663, for a distance of 200 feet, more or less, to the southerly right-of-way line of U.S. Highway No. 61; thence North 44 degrees 38 minutes 48 seconds West and along said southerly right-of-way line of U.S. Highway No. 61 for a distance of 111.94 feet to an iron pipe in place at the southeast corner of the property heretofore conveyed by Deed in Book 237 of Deeds on page 693; thence South 48 degrees 30 minutes 30 seconds West 52.45 feet, more or less, to the point of beginning;

(12) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of the Plat of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West and along the south line of the property heretofore conveyed by Deed in Book 237 of Deeds on page 693, for a distance of 147.55 feet; thence South 44 degrees 33 minutes 19 seconds East 127.91 feet to the point of beginning; thence continuing South 44 degrees 33 minutes 19 seconds East 112 feet; thence North 43 degrees 53 minutes 30 seconds East and along the north line of the property heretofore conveyed by Deed in Book 240 of Deeds on page 367, for a distance of 200 feet to the southerly right-of-way line of U.S. Highway No. 61; thence North 44 degrees 38 minutes 48 seconds West and along the said southerly right-of-way line of U.S. Highway No. 61 for a distance of 112 feet; thence South 43 degrees 53 minutes 30 seconds West for a distance of 200 feet, more or less, to the point of beginning; and

(13) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8, Block "B" of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 599.10 feet to an iron pipe, the point of beginning; thence North 43 degrees 53 minutes 30 seconds East 46.54 feet to a point on the southerly boundary line of Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 73.05 feet, bearing South 46 degrees 00 minutes East; thence continuing along said southerly boundary line South 43 degrees 33 minutes West 10.0 feet; thence continuing along said southerly boundary line a chord distance of 28.50 feet bearing South 46 degrees 30 minutes East; thence South 45 degrees 00 minutes West 41.95 feet to an iron pipe in place; thence South 33 degrees 32 minutes West 255.0 feet; thence North 43 degrees 30 minutes 22 seconds West 146.84 feet; thence North 43 degrees 53 minutes 30 seconds East 184.1 feet to an iron pipe; thence North 43 degrees 53 minutes 30 seconds East 65.9 feet to the point of beginning.

Sec. 10. **RUM RIVER WILD AND SCENIC RIVER AREA.**

(a) The commissioner of natural resources shall remove the following land within the Rum River Wild and Scenic River Area in Mille Lacs County from the Minnesota wild and scenic rivers program under Minnesota Statutes, sections 103F.301 to 103F.345: the West Half of the East Half of the Northwest Quarter of Section 14, Township 38, Range 27, and the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of said section, township, and range.

(b) The commissioner shall amend Minnesota Rules, chapter 6105, and the management plan for the area to reflect this change. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend rules under this section. Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

Sec. 11. **WIND ENERGY LEASE.**

By June 30, 2009, the commissioner of natural resources must enter a 30-year lease of state land, according to Minnesota Statutes, section 92.502, paragraph (b), with the Mountain Iron Economic Development Authority for installation of up to four wind turbines and access roads. The land covered by the lease is located in St. Louis County and is described as: the South Half of Section 16, Township 59 North, Range 15 West.

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

Sec. 12. **VETERANS CEMETERY.**

The commissioner of natural resources shall work with the commissioner of veterans affairs to locate sites throughout the state that would be appropriate for a new veterans cemetery.

Sec. 13. **LAKE VERMILION EASEMENTS.**

By July 30, 2009, the commissioner of natural resources shall grant easements across state land administered by the commissioner to private landowners on Bass Bay on the north shore of Lake Vermilion to access Mud Creek Road (County Highway 408).

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

Sec. 14. **SIGNS.**

The commissioner of natural resources shall adopt a suitable marking design to mark the C. J. Ramstad Memorial Trail and shall erect the appropriate signs after the commissioner has been assured of the availability of funds from nonstate sources sufficient to pay all costs related to designing, erecting, and maintaining the signs.

ARTICLE 3

LAND SALES

Section 1. Laws 2007, chapter 131, article 2, section 38, is amended to read:

Sec. 38. **PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.**

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

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

(c) The land that may be sold is located in Washington County and is described as follows, Parcels A and B containing altogether 31.55 acres, more or less:

(1) Parcel A: all that part of the North Half of the Southeast Quarter, Section 30, Township 30 North, Range 20 West, bounded by the following described lines: commencing at the east quarter corner of said Section 30; thence on an assumed bearing of North 88 degrees 13 minutes 48 seconds West, 399.98 feet on and along the east-west quarter line of said Section 30 to the point of beginning; thence North 88 degrees 13 minutes 48 seconds West, 504.57 feet on and along the said east-west quarter line; thence South 17 degrees 54 minutes 26 seconds West, 1377.65 feet to a point on the south 1/16 line of said Section 30; thence South 88 degrees 10 minutes 45 seconds East, 504.44 feet on and along the south 1/16 line of said Section 30; thence North 17 degrees 54 minutes 26 seconds East, 1378.11 feet to the point of beginning; and

(2) Parcel B: all that part of the North Half of the Southeast Quarter, Section 30, Township 30 North, Range 20 West, bounded by the following described lines: commencing at the east quarter corner of said Section 30; thence on an assumed bearing of North 88 degrees 13 minutes 48 seconds West, 904.55 feet along the east-west quarter line of said Section 30 to the point of beginning; thence South 17 degrees 54 minutes 26 seconds West, 1377.65 feet to a point on the south 1/16 line of said Section 30; thence North 88 degrees 10 minutes 45 seconds West, 369.30 feet along said south 1/16 line; thence North 42 degrees 24 minutes 47 seconds West, 248.00 feet; thence North 02 degrees 59 minutes 30 seconds East, 488.11 feet; thence North 47 degrees 41 minutes 19 seconds East, 944.68 feet to a point on the east-west quarter line of said Section 30; thence South 88 degrees 13 minutes 48 seconds East, 236.03 feet along said east-west quarter line to the point of beginning.

(d) The land borders Long Lake and is not contiguous to other state lands. The land was donated to the state with the understanding that the land would be used as a wildlife sanctuary. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 2. Laws 2008, chapter 368, article 1, section 34, is amended to read:

Sec. 34. PRIVATE SALE OF SURPLUS STATE LAND; HENNEPIN COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 ~~and 94.10 to 94.16~~, the commissioner of natural resources ~~may sell by private sale~~ shall sell to the city of Wayzata the surplus land that is described in paragraph (c) upon verification that the city has acquired the adjacent parcel, currently occupied by a gas station.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell the land described in paragraph (c) to the city of Wayzata, for less than the value of the land as determined by the commissioner no more than \$100,000 plus transaction costs, but the conveyance must provide that the land described in paragraph (c) be used for ~~the a public road~~ and reverts to the state if the city of Wayzata fails to provide for public use of the land as a road or abandons the public use of the land.

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

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

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

Sec. 3. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; AITKIN COUNTY.

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

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

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

(1) parts of Government Lot 3, Section 33, and the Southeast Quarter of the Southwest Quarter, Section 28, all in Township 50 North, Range 23 West, Aitkin County, Minnesota, described as follows:

Commencing at the north quarter corner of said Section 33; thence South 88 degrees 07 minutes 19 seconds West, assumed bearing, along the northerly line of said Government Lot 3, a distance of 1020.00 feet to the point of beginning of the tract to herein be described; thence North 1 degree 52 minutes 41 seconds West 660.00 feet; thence South 88 degrees 07 minutes 19 seconds West 300 feet; thence South 1 degree 52 minutes 41 seconds East 660.00 feet to the northerly line of said Government Lot 3; thence South 88 degrees 07 minutes 19 seconds West 15.08 feet to the northwest corner of said Government Lot 3; thence South 1 degree 08 minutes 57 seconds East 326.00 feet, more or less, to the shoreline of Big Sandy Lake Reservoir; thence easterly along the said shoreline to a point which bears South 1 degree 52 minutes 41 seconds East from the point of beginning; thence North 1 degree 52 minutes 41 seconds West 330.00 feet, more or less, to the point of beginning of the tract to herein be described and there terminating, containing 3.89 acres, more or less; and

(2) those parts of Government Lot 3, Section 33 and the Southeast Quarter of the Southwest Quarter, Section 28, all in Township 50 North, Range 23 West, described as follows:

Commencing at the north quarter corner of said Section 33; thence South 88 degrees 07 minutes 19 seconds West, assumed bearing, along the northerly line of said Government Lot 3, a distance of 920.00 feet to the point of beginning of the tract to herein be described; thence North 1 degree 52 minutes 41 seconds West 660.00 feet; thence South 88 degrees 07 minutes 19 seconds West 100.00 feet; thence South 1 degree 52 minutes 41 seconds East 990.00 feet, more or less, to the shoreline of Big Sandy Lake Reservoir; thence easterly along the said shoreline to a point which bears South 1 degree 52 minutes 41 seconds East from the point of beginning; thence North 1 degree 52 minutes 41 seconds West 341.60 feet, more or less, to the point of beginning of the tract to herein be described and there terminating.

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

Sec. 4. **PRIVATE SALE OF SURPLUS STATE LAND; ANOKA COUNTY.**

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

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

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

That part of Government Lot 1, Section 20, Township 32 North, Range 23 West, described as follows: beginning at the quarter corner on the east line of Section 20, thence northerly along the east line of said Section 20, a distance of 1,250 feet; thence westerly and parallel to the east and west quarter line of Section 20, a distance of 400 feet; thence southerly and parallel to the east line of Section 20, a distance of 750 feet; thence westerly and parallel to the east and west quarter line of Section 20, a distance of 750 feet; thence southerly and parallel to the east line of Section 20, a distance of 500 feet, to the east and west quarter line of Section 20; thence easterly along the quarter line a distance of 1,150 feet to the point of beginning, containing 20 acres, more or less.

(d) The city of Ham Lake currently leases the state land for a hiking trail in connection with Anoka County's management of adjacent public lands used for a county park. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the city of Ham Lake.

Sec. 5. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ANOKA COUNTY.

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

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

(c) The land that may be sold is located in Anoka County and is described as: the Northwest Quarter of the Northeast Quarter, Section 36, Township 34 North, Range 24 West, containing 40 acres, more or less.

(d) The land borders Sand Shore Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 6. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.

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

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

(c) The land that may be sold is located in Beltrami County and is described as: Government Lot 7, Section 25, Township 149 North, Range 33 West, containing 22 acres, more or less.

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

Sec. 7. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.

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

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

(c) The land that may be sold is located in Beltrami County and is described as: the West Half of the Northwest Quarter, Section 29, Township 147 North, Range 34 West, containing 80 acres, more or less.

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

Sec. 8. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.

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

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

(c) The land that may be sold is located in Cass County and is described as: Lot 21 of Longwood Point, according to the map or plat thereof on file and of record in the Office of the County Recorder in and for Cass County, Minnesota, in Section 5, Township 139 North, Range 26 West, containing 3.03 acres, more or less.

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

Sec. 9. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.**

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

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

(c) The land that may be sold is located in Cass County and is described as: Government Lots 5 and 6, Section 3, Township 141 North, Range 27 West, containing 81.15 acres, more or less.

(d) The land borders Mable Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 10. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.**

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

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

(c) The land that may be sold is located in Cass County and is described as: that part of Government Lot 4, Section 8, Township 140 North, Range 31 West, Cass County, Minnesota, lying southerly and westerly of the following described lines: Commencing at the southeast corner of said Government Lot 4; thence North 01 degree 39 minutes 59 seconds West on an assumed bearing along the east line of said Government Lot 4 a distance of 420.54 feet to the POINT OF BEGINNING; thence North 87 degrees 57 minutes 14 seconds West a distance of 481.15 feet; thence southwesterly along a tangential curve concave to the southeast having a radius of 145.00 feet, a central angle of 69 degrees 00 minutes 00 seconds, for a distance of 174.61 feet; thence South 23 degrees 02 minutes 46 seconds West, tangent to said curve, a distance of 255 feet, more or less, to the centerline of the old County Road; thence northwesterly, westerly, and southwesterly a distance of 520 feet along said centerline to the point of intersection with the centerline of County State-Aid Highway No. 6; thence northwesterly a distance of 414.53 feet along the centerline of said County State-Aid Highway No. 6 to the point of intersection with the west line of said Government Lot 4 and there terminating. Containing 11.16 acres, more or less.

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

Sec. 11. **PRIVATE SALE OF SURPLUS LAND; CLEARWATER COUNTY.**

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

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

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

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

Sec. 12. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

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

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

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

(1) Government Lot 3, Section 9, Township 136 North, Range 28 West, containing 39.25 acres, more or less; and

(2) Government Lot 2, Section 9, Township 136 North, Range 28 West, containing 25.3 acres, more or less.

(d) The land borders Shaffer Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 13. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

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

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

(c) The land that may be sold is located in Crow Wing County and is described as: the North 1,000 feet of Government Lot 3, Section 25, Township 136 North, Range 27 West, excepting that portion which lies North and East of F.A.S #11, containing 32 acres, more or less.

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

Sec. 14. **CITY OF EAGAN; AUTHORITY TO EXCHANGE LAND; DAKOTA COUNTY.**

The portion of land conveyed to the city of Eagan under Laws 1995, chapter 159, now described as Parcel No. 10-30601-090-00, Outlot I, Gopher Eagan Industrial Park 2nd Addition, may be used for a colocation facility that provides secured space for public and private Internet and telecommunications network equipment and servers, notwithstanding the provision that the land reverts to the state if it is not used for public park or open space purposes. The commissioner of revenue is authorized to issue a state deed that provides for the land described above to be used for this purpose. The colocation facility must not be used by the municipality to provide voice, video, or Internet access services to the residents or businesses located in the city of Eagan. Nothing in this section is intended to restrict or limit the city of Eagan from communicating with its residents and businesses regarding governmental information and providing for the delivery of electronic services.

Sec. 15. **PRIVATE SALE OF SURPLUS LAND; FILLMORE COUNTY.**

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

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

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

That part of the Northwest Quarter of the Northwest Quarter of Section 2, Township 103 North, Range 10 West, described as follows: commencing at the northeast corner of the North Half of the Northwest Quarter of said Section 2; thence on an assumed bearing of South 89 degrees 22 minutes 48 seconds West, along the north line of said North Half of the Northwest Quarter, 500.09 feet; thence South 33 degrees 21 minutes 11 seconds West, 1,520.38 feet; thence North 00 degrees 37 minutes 12 seconds West, 540.85 feet; thence south 89 degrees 22 minutes 48 seconds West, 630.00 feet to the point of beginning of the land to be described; thence North 00 degrees 37 minutes 12 seconds West, 551.74 feet to the center line of Goodview Drive; thence North 89 degrees 03 minutes 27 seconds West, along said center line 77.26 feet; thence South 89 degrees 52 minutes 18 seconds West, along said center line, 162.78 feet; thence South 25 degrees 32 minutes 45 seconds West, 82.13 feet; thence South 20 degrees 17 minutes 19 seconds West, 169.57 feet; thence South 18 degrees 48 minutes 07 seconds West, 143.54 feet; thence South 26 degrees 31 minutes 49 seconds West, 211.00 feet; thence North 89 degrees 22 minutes 48 seconds East, 480.75 feet to the point of beginning. Subject to the right-of-way of said Goodview Drive. Containing 4.53 acres, more or less.

(d) The sale would be to the Eagle Bluff Environmental Learning Center for installation of a geothermal heating system for the center's adjacent educational facilities. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 16. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; HENNEPIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale to the city of St. Louis Park the surplus land that is described in paragraph (c).

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

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

A strip of land 130 feet wide in the Southeast Quarter of the Northwest Quarter of Section 20, Township 117 North, Range 21 West, the center line of which strip has its beginning at a point on the west boundary of said Southeast Quarter of the Northwest Quarter, and 753.8 feet distant from the south boundary line of said Southeast Quarter of the Northwest Quarter, and continued thence east on a line parallel with the south boundary line of said Southeast Quarter of the Northwest Quarter for a distance of 1,012 feet, containing 3.02 acres, more or less.

(d) The land is adjacent to Minnehaha Creek and adjacent to other lands managed by the city of St. Louis Park. The Department of Natural Resources has determined that the state's land management interest would best be served if the land were conveyed to the city of St. Louis Park.

Sec. 17. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; HUBBARD COUNTY.

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

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

(c) The land that may be sold is located in Hubbard County and is described as: those parts of Government Lot 4 and the Southwest Quarter of the Southwest Quarter, Section 16, Township 143 North, Range 34 West, Hubbard County, Minnesota, lying southerly and easterly of Minnesota Department of Transportation Right-of-Way Plat Numbered 29-18 and Minnesota Department of Transportation Right-of-Way Plat Numbered 29-2 as the same is on file and of record in the Office of the County Recorder for Hubbard County, Minnesota, and lying westerly of the East 600 feet of said Government Lot 4, containing 14.6 acres, more or less.

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

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

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

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

(c) The land that may be sold is located in Itasca County and is described as: Lot 23, Eagle Point Plat, Section 11, Township 59 North, Range 25 West, containing 0.31 acres, more or less.

(d) The land borders Eagle Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 19. APPORTIONMENT OF PROCEEDS; TAX-FORFEITED LANDS; ITASCA COUNTY.

Notwithstanding the provisions of Minnesota Statutes, chapter 282, and any other law relating to the apportionment of proceeds from the sale of tax-forfeited land, Itasca County may deposit proceeds from the sale of tax-forfeited lands into a tax-forfeited land replacement trust fund created in Laws 2006, chapter 236, article 1,

section 43, as amended by Laws 2008, chapter 368, article 1, section 18. The principal and interest from these proceeds may be spent only on the purchase of lands to replace the tax-forfeited lands sold to Minnesota Steel Industries or for lands better suited for retention by Itasca County. Lands purchased with the land replacement fund must:

(1) become subject to a trust in favor of the governmental subdivision wherein they lie and all laws related to tax-forfeited lands; and

(2) be for forest management purposes and dedicated as memorial forest under Minnesota Statutes, section 459.06, subdivision 2.

Sec. 20. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; KITTSON COUNTY.

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

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

(c) The land to be sold is located in Kittson County and is described as: that certain parcel situate in the Southwest Quarter of Section 10; Township 163 North, Range 48 West, described as follows: beginning at the southeast corner of said Southwest Quarter of said Section 10; thence West along the south boundary line of said Southwest Quarter a distance of 1,900 feet; thence North and parallel to the east boundary line of said Southwest Quarter a distance of 1,050 feet; thence East and parallel to the south boundary line of said Southwest Quarter a distance of 750 feet; thence southeasterly in a straight line to the point of beginning.

Sec. 21. PRIVATE SALE OF SURPLUS STATE LAND; MURRAY COUNTY.

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

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

(c) The land to be sold is located in Murray County and is described as: that part of Government Lot 6, that part of Government Lot 7, and that part of Government Lot 8 of Section 6, Township 107 North, Range 40 West, and that part of Government Lot 1 and that part of Government Lot 2 of Section 7, Township 107 North, Range 40 West, Murray County, Minnesota, described as follows: Commencing at the east quarter corner of said Section 6; thence on a bearing based on the 1983 Murray County Coordinate System (1996 Adjustment), of South 00 degrees 17 minutes 23 seconds East 1247.75 feet along the east line of said Section 6; thence South 88 degrees 39 minutes 00 seconds West 1942.74 feet; thence South 03 degrees 33 minutes 00 seconds West 94.92 feet to the northeast corner of Block 5 of FORMAN ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office; thence South 14 degrees 34 minutes 00 seconds West 525.30 feet along the easterly line of said Block 5 and along the easterly line of the private roadway of FORMAN ACRES to the southeasterly corner of said private roadway and the POINT OF BEGINNING; thence North 82 degrees 15 minutes 00 seconds West 796.30 feet along the southerly line of said private roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 64 degrees 28 minutes 26 seconds West 100.06 feet along the southerly line of said private roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 33 degrees 01 minute

32 seconds West 279.60 feet along the southerly line of said private roadway to an angle point on said line; thence South 76 degrees 04 minutes 52 seconds West 766.53 feet along the southerly line of said private roadway to a 3/4 inch diameter rebar with a plastic cap stamped "MN DNR LS 17003" (DNR MON); thence South 16 degrees 24 minutes 50 seconds West 470.40 feet to a DNR MON; thence South 24 degrees 09 minutes 57 seconds West 262.69 feet to a DNR MON; thence South 08 degrees 07 minutes 09 seconds West 332.26 feet to a DNR MON; thence North 51 degrees 40 minutes 02 seconds West 341.79 feet to the east line of Lot A of Lot 1 of LOT A OF GOVERNMENT LOT 8, OF SECTION 6 AND LOT A OF GOVERNMENT LOT 1, OF SECTION 7, TOWNSHIP 107, RANGE 40, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and a DNR MON; thence South 14 degrees 28 minutes 55 seconds West 71.98 feet along the east line of said Lot A to the northerly most corner of Lot 36 of HUDSON ACRES, according to the record plat thereof on file and of record in the Murray County Recorder's Office and an existing steel fence post; thence South 51 degrees 37 minutes 05 seconds East 418.97 feet along the northeasterly line of said Lot 36 and along the northeasterly line of Lots 35, 34, 33, 32 of HUDSON ACRES to an existing 1-inch inside diameter iron pipe marking the easterly most corner of Lot 32 and the most northerly corner of Lot 31A of HUDSON ACRES; thence South 48 degrees 33 minutes 10 seconds East 298.26 feet along the northeasterly line of said Lot 31A to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner thereof and the most northerly corner of Lot 31 of HUDSON ACRES; thence South 33 degrees 53 minute 30 seconds East 224.96 feet along the northeasterly line of said Lot 31 and along the northeasterly line of Lots 30 and 29 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 29 and the most northerly corner of Lot 28 of HUDSON ACRES; thence South 45 degrees 23 minutes 54 seconds East 375.07 feet along the northeasterly line of said Lot 28 and along the northeasterly line of Lots 27, 26, 25, 24 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 24 and the most northerly corner of Lot 23 of HUDSON ACRES; thence South 64 degrees 39 minutes 53 seconds East 226.80 feet along the northeasterly line of said Lot 23 and along the northeasterly line of Lots 22 and 21 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 21 and the most northerly corner of Lot 20 of HUDSON ACRES; thence South 39 degrees 49 minutes 49 seconds East 524.75 feet along the northeasterly line of said Lot 20 and along the northeasterly line of Lots 19, 18, 17, 16, 15, 14 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 14 and the most northerly corner of Lot 13 of HUDSON ACRES; thence South 55 degrees 31 minutes 43 seconds East 225.11 feet along the northeasterly line of said Lot 13 and along the northeasterly line of Lots 12 and 11 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 11 and the northwest corner of Lot 10 of HUDSON ACRES; thence South 88 degrees 03 minutes 49 seconds East 224.90 feet along the north line of said Lot 10 and along the north line of Lots 9 and 8 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the northeast corner of said Lot 8 and the northwest corner of Lot 7 of HUDSON ACRES; thence North 84 degrees 07 minutes 37 seconds East 525.01 feet along the north line of said Lot 7 and along the north line of Lots 6, 5, 4, 3, 2, 1 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe marking the northeast corner of said Lot 1 of HUDSON ACRES; thence southeasterly, easterly, and northerly along a nontangential curve concave to the North having a radius of 50.00 feet, central angle 138 degrees 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 63 degrees 30 minutes 12 seconds East; thence continuing northwesterly and westerly along the previously described curve concave to the South having a radius of 50.00 feet, central angle 138 degrees 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 75 degrees 11 minutes 47 seconds West and a DNR MON; thence South 84 degrees 09 minutes 13 seconds West not tangent to said curve 520.52 feet to a DNR MON; thence North 88 degrees 07 minutes 40 seconds West 201.13 feet to a DNR MON; thence North 55 degrees 32 minutes 12 seconds West 196.66 feet to a DNR MON; thence North 39 degrees 49 minutes 59 seconds West 530.34 feet to a DNR MON; thence North 64 degrees 41 minutes 41 seconds West 230.01 feet to a DNR MON; thence North 45 degrees 23 minutes 00 seconds West 357.33 feet to a DNR MON; thence North 33 degrees 53 minutes 30 seconds West 226.66 feet to a DNR MON; thence North 48 degrees 30 minutes 31 seconds West 341.45 feet to a DNR MON; thence North 08 degrees 07 minutes 09 seconds East 359.28 feet to a DNR MON; thence North 24 degrees 09 minutes 57 seconds East 257.86 feet to a DNR MON; thence North 16 degrees 24 minutes 50 seconds East 483.36 feet to a DNR MON; thence North 76 degrees 04 minutes 52 seconds East 715.53 feet to a DNR MON; thence North 33 degrees 01 minute 32 seconds East 282.54 feet to a DNR MON; thence North 64 degrees 28

minutes 26 seconds East 84.97 feet to a DNR MON; thence South 82 degrees 15 minutes 00 seconds East 788.53 feet to a DNR MON; thence North 07 degrees 45 minutes 07 seconds East 26.00 feet to the point of beginning; containing 7.55 acres.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the lands were conveyed to the township of Murray.

Sec. 22. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; RED LAKE COUNTY.

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

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

(c) The land that may be conveyed is located in Red Lake County and is described as follows: all that part of Block 5 which lies North of Block 6 and West of a line which is a projection northerly of the west line of Lot 11 of said Block 6, all in Mill Reserve Addition, containing approximately 500 feet frontage on the Clearwater River.

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

Sec. 23. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

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

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

(c) The land that may be sold is located in St. Louis County and is described as: Government Lot 4, Section 36, Township 58 North, Range 16 West, St. Louis County, Minnesota, EXCEPTING therefrom that part platted as SILVER LAKE SHORES according to the plat on file and of record in the Office of the Recorder for St. Louis County, Minnesota, containing 7.88 acres, more or less.

(d) The land borders Silver Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 24. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

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

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may not sell any part of the land described in paragraph (c) that is being used for airport purposes by the city of Eveleth or is proposed to be used for airport purposes by the city of Eveleth.

(c) The land that may be sold is located in St. Louis County and is described as: the Northeast Quarter of the Northwest Quarter, Section 16, Township 57 North, Range 17 West, St. Louis County, Minnesota, except that part of the North 10 feet thereof lying East of St. Mary's Lake and also except that part lying East of County State-Aid Highway 132, containing 26.5 acres, more or less.

(d) The land borders St. Mary's Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 25. **PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County shall sell by private sale the tax-forfeited land described in paragraph (c) to the nearest private landowner who has owned proximate land for at least 70 years.

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

(c) The land to be sold is located in St. Louis County and is described as: Lots 150 and 151, NE NA MIK KA TA, town of Breitung, Section 6, Township 62 North, Range 15 West.

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

Sec. 26. **PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.**

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyances must include any easements or deed restrictions specified in paragraph (c).

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

(1) the East Half of the East Half of the Southwest Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(2) the East Half of the East Half of the Southeast Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(3) the West Half of the East Half of the Southeast Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(4) the West Half of the East Half of the Northwest Quarter of the Southwest Quarter and the West Half of the East Half of the Southwest Quarter of the Southwest Quarter, Section 4, Township 51 North, Range 17 West;

(5) all that part or strip lying North of the Savanna River, about 3 to 4 acres of the Southeast Quarter of the Northeast Quarter, Section 7, Township 51 North, Range 20 West;

(6) Government Lot 1, Section 18, Township 53 North, Range 18 West;

(7) the Southwest Quarter of the Southeast Quarter, Section 34, Township 53 North, Range 19 West;

(8) Lot 2, Jingwak Beach 1st Addition, town of Cotton, Section 20, Township 54 North, Range 16 West;

(9) Lot 4, Jingwak Beach 1st Addition, town of Cotton, Section 20, Township 54 North, Range 16 West;

(10) Lots 1, 2, 3, and 4, 1st Addition to Strand Lake, Section 20, Township 54 North, Range 16 West;

(11) the Southeast Quarter of the Southwest Quarter, Section 1, Township 55 North, Range 20 East. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Swan River, to provide riparian protection and angler access;

(12) that part of the Northeast Quarter of the Northwest Quarter beginning at the intersection of the east line of Highway 4 with the north line of the Northeast Quarter of the Northwest Quarter; thence South 500 feet; thence East 350 feet; thence North 500 feet; thence West 350 feet to the point of beginning, Section 19, Township 57 North, Range 15 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of the unnamed stream, to provide riparian protection and angler access. Where there is less than 75 feet from the centerline of the stream channel to the north property line, the easement shall be granted to the north property line;

(13) the West Half of Lot 1, Section 22, Township 58 North, Range 16 West. Conveyance of this land must provide, for no consideration, a 33-foot road easement to the state for access to Black Lake. The conveyance must include a deed restriction prohibiting buildings, structures, tree cutting, removal of vegetation, and shoreland alterations across a 75-foot strip from the ordinary high water mark, except a 15-foot strip is allowed for lake access and a dock; and

(14) the South Half of the Northwest Quarter of the Northwest Quarter, except the North Half of the Southwest Quarter, Section 32, Township 62 North, Range 18 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 105 feet in width on each side of the centerline of Rice River, to provide riparian protection and angler access.

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

Sec. 27. **PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.**

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

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

(c) The land to be sold is located in St. Louis County and is described as: the easterly 200 feet of the Northwest Quarter of the Southeast Quarter, Section 21, Township 58 North, Range 15 West, except that part North of the St. Louis River.

(d) The county shall sell the land to the adjoining landowner to remedy an inadvertent trespass.

Sec. 28. **PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.**

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyances must include any easements or deed restrictions specified in paragraph (c).

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

(1) an undivided 1369/68040 interest, Lot 8, Section 16, Township 50 North, Range 17 West;

(2) an undivided 1470/10080 interest, Lot 5, Section 17, Township 50 North, Range 17 West;

(3) an undivided 23/288 interest, Northeast Quarter of the Northeast Quarter, Section 21, Township 50 North, Range 17 West;

(4) an undivided 23/288 interest, Northwest Quarter of the Northeast Quarter, Section 21, Township 50 North, Range 17 West; and

(5) that part of Lot 7 beginning at a point 530 feet East of the southwest corner; thence North 30 degrees East 208 feet; thence North 55 degrees East 198 feet; thence 10 feet more or less on the same line to the waters edge; thence South along the waters edge to the south boundary line of Lot 7; thence 10 feet West; thence West on the same line 198 feet to the point of beginning, Section 5, Township 62 North, Range 16 West. The conveyance must include a deed restriction prohibiting buildings, structures, tree cutting, removal of vegetation, and shoreland alterations across a 75-foot strip from the ordinary high water mark.

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

Sec. 29. **PUBLIC OR PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.**

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

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

(c) The land to be sold is located in St. Louis County and is described as: Lot 5, Block 1, Williams Lakeview, town of Great Scott, Section 34, Township 60 North, Range 19 West.

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

Sec. 30. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; SHERBURNE COUNTY.

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

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

(c) The land that may be sold is located in Sherburne County and is described as: the Northeast Quarter of the Southwest Quarter, Section 16, Township 33 North, Range 27 West, containing 40 acres, more or less.

(d) The land borders Elk River and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 31. PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; TODD COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 97A.135, subdivision 2a, the surplus land described in paragraph (c) is vacated from the Grey Eagle Wildlife Management Area upon sale.

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

(c) The land that may be sold is located in Todd County and is described as: the East 50.00 feet of the South 165.00 feet of Government Lot 3, Section 16, Township 127 North, Range 33 West, Todd County, Minnesota, containing 0.19 acres, more or less.

(d) The sale would resolve an unintentional trespass by the adjacent owner. While Lot 3 of Section 16, Township 127 North, Range 33 West, borders Bunker Lake, the portion of Lot 3 to be sold does not border public waters. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 32. PRIVATE SALE OF SURPLUS STATE LAND; WASHINGTON COUNTY.

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

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

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

(1) that part of the Southwest Quarter of the Southeast Quarter of Section 3, Township 27, Range 20, Washington County, Minnesota that lies South of the North 800 feet thereof and North of the following described line: Commencing at a point 800 feet South of the northwest corner of said Southwest Quarter of the Southeast Quarter; thence 154 feet East; thence 228 feet East; thence South 430 feet; thence East 930.58 feet; thence North 430 feet, to the point of beginning of the line to be described; thence West to the point of commencement and said line there terminating; and

(2) that part of the North 208 feet of the South 866 feet of the East 208 feet of the Southeast Quarter of the Southeast Quarter of Section 3, Township 27, Range 20, Washington County, Minnesota that lies northwesterly of the following described line: Commencing at the northwest corner of the Southeast Quarter of the Southeast Quarter of said Section 3; thence South along the west line of said Southeast Quarter of the Southeast Quarter, a distance of 900 feet; thence easterly, at a right angle, a distance of 660 feet, to the point of beginning of the line to be described; thence northeasterly to a point on the east line of said Southeast Quarter of the Southeast Quarter distant 275 feet South of the northeast corner thereof, and said line there terminating.

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

Sec. 33. **EFFECTIVE DATE.**

Sections 1 to 32 are effective the day following final enactment.

ARTICLE 4

FOREST AND TIMBER MANAGEMENT

Section 1. **APPRAISED VOLUME TIMBER SALES; FISCAL YEARS 2010 AND 2011.**

(a) During fiscal years 2010 and 2011, the commissioner of natural resources shall increase the amount of timber products sold from state lands under permits based solely on the appraiser's estimate of the timber volume described in the permit, as provided in Minnesota Statutes, section 90.14, paragraph (c).

(b) The commissioner shall evaluate sales of timber under paragraph (a) and other methods used to sell timber from state lands to identify the method, or combination of methods, that is most efficient and effective in protecting the fiduciary interest of the state, including the permanent school fund.

(c) By January 15, 2011, the commissioner shall report to the house of representatives and senate natural resources policy and finance committees and divisions on the findings of the evaluation process completed under paragraph (b).

Sec. 2. **FOREST MANAGEMENT LEASE PILOT PROJECT.**

(a) Notwithstanding the permit procedures of Minnesota Statutes, chapter 90, the commissioner of natural resources may on a pilot basis lease state-owned forest lands for forest management purposes. The lease shall:

(1) require that the lessee comply with timber harvesting and forest management guidelines developed under Minnesota Statutes, section 89A.05, adopted by the Minnesota Forest Resources Council, and in effect at the time that the lease is issued; and

(2) provide for public access for hunting, fishing, and motorized and nonmotorized recreation to the leased land that is the same as would be available under state management.

(b) For the purposes of this section, the term "state-owned forest lands" may include school trust lands as defined in Minnesota Statutes, section 92.025, or university land granted to the state by Acts of Congress.

(c) By December 15, 2009, the commissioner of natural resources shall provide a report to the house or representatives and senate natural resources policy and finance committees and divisions on the pilot project. The report must detail a plan for implementation of the pilot project with a starting date that is no later than July 1, 2010.

(d) Upon implementation of the pilot project, the commissioner shall provide an annual report to the house of representatives and senate natural resources policy and finance committees and divisions on the progress of the project, including the acres leased, a breakdown of the types of forest land, and amounts harvested by species. The report shall include a net revenue analysis comparing the lease revenue with the estimated net revenue that would be obtained through state management and silvicultural practices cost savings the state realizes through leasing."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying refund provisions; modifying commissioner's authority; modifying restrictions in migratory feeding and resting areas; providing certain exemptions from local law; modifying wild animal and fish taking, possession, and licensing requirements; modifying provisions relating to the possession of certain weapons; removing bow and gun case requirements; authorizing certain fees; authorizing acquisition of and requiring grants of certain easements; modifying management authority for tax-forfeited lands; adding to and deleting from certain state parks; modifying state trails; removing land from the Minnesota wild and scenic rivers program; authorizing public and private sales and exchanges of state land; requiring wind energy lease; modifying previous sales authorization and land descriptions; requiring location of sites for veterans cemetery; requiring increase in appraised estimates for timber sales; requiring forest lease pilot project; requiring rulemaking; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 17.4981; 17.4988, subdivision 3; 84.027, subdivision 13; 84.0273; 84.788, subdivision 11; 84.798, subdivision 10; 84.82, subdivision 11; 84.922, subdivision 12; 85.015, subdivision 13; 86B.415, subdivision 11; 97A.075, subdivision 1; 97A.095, subdivision 2; 97A.137, by adding subdivisions; 97A.405, subdivision 4; 97A.421, subdivision 1; 97A.441, subdivision 7; 97A.445, subdivision 1; 97A.451, subdivision 2, by adding a subdivision; 97A.465, subdivision 1b; 97A.475, subdivisions 2, 3, 7, 11, 12, 29; 97A.525, subdivision 1; 97B.035, subdivision 2; 97B.045, subdivision 2, by adding a subdivision; 97B.051; 97B.055, subdivision 3; 97B.086; 97B.111, subdivision 1; 97B.328, subdivision 3; 97B.651; 97B.811, subdivisions 2, 3; 97B.931, subdivision 1; 97C.315, subdivision 1; 97C.355, subdivision 2; 97C.371, by adding a subdivision; 97C.385, subdivision 2; 97C.395, subdivision 1; 282.04, subdivision 1; Laws 1996, chapter 407, section 32, subdivision 3; Laws 2007, chapter 131, article 2, section 38; Laws 2008, chapter 368, article 1, sections 21, subdivisions 4, 5, 34; article 2, section 25; proposing coding for new law in Minnesota Statutes, chapters 84; 97B; 97C; repealing Minnesota Statutes 2008, sections 97A.525, subdivision 2; 97B.301, subdivisions 7, 8; 97C.405."

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

The report was adopted.

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

H. F. No. 1231, A bill for an act relating to state government; appropriating money from constitutionally dedicated funds and providing for policy and governance of outdoor heritage, clean water, parks and trails, and arts and cultural heritage purposes; establishing and modifying grants and funding programs; providing for advisory groups; providing appointments; requiring reports; requiring rulemaking; amending Minnesota Statutes 2008,

sections 3.303, by adding a subdivision; 3.971, by adding a subdivision; 17.117, subdivision 11a; 18G.11, by adding a subdivision; 84.02, by adding subdivisions; 85.53; 97A.056, subdivisions 2, 3, 6, 7, by adding subdivisions; 103F.515, subdivisions 2, 4; 114D.50; 116G.15; 116P.05, subdivision 2; 129D.17; 477A.12, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; 84; 84C; 85; 116; 129D; 138; 477A.

Reported the same back with the following amendments:

Page 94, line 24, delete "2009" and insert "2010"

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1276, A bill for an act relating to health and human services; relieving counties of certain mandates; allowing counties to place children for treatment in bordering states; modifying county payment of funeral expenses; modifying certain nursing facility rules; providing an alternative licensing method for day training and habilitation services; accepting certain independent audits; modifying renewal notice requirements; modifying health care program information that school district or charter school must provide; amending Minnesota Statutes 2008, sections 62Q.37, subdivision 3; 144A.04, subdivision 11, by adding a subdivision; 144A.45, subdivision 1; 245.4882, subdivisions 1, 2; 245.4885, subdivision 1a; 245A.09, subdivision 7; 256.935, subdivision 1; 256.962, subdivisions 6, 7; 256B.0625, subdivision 41; 256B.0945, subdivision 1; 256F.13, subdivision 1; 260C.212, subdivisions 4a, 11; 261.035; 471.61, subdivision 1; repealing Minnesota Rules, part 4668.0110, subpart 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

HUMAN SERVICES

Section 1. Minnesota Statutes 2008, section 245.4882, subdivision 1, is amended to read:

Subdivision 1. **Availability of residential treatment services.** County boards must provide or contract for enough residential treatment services to meet the needs of each child with severe emotional disturbance residing in the county and needing this level of care. Length of stay is based on the child's residential treatment need and shall be subject to the six-month review process established in section 260C.212, ~~subdivisions 7 and 9~~ subdivision 7, and for children in voluntary placement for treatment, the court review process in section 260D.06. Services must be appropriate to the child's age and treatment needs and must be made available as close to the county as possible. Residential treatment must be designed to:

- (1) prevent placement in settings that are more intensive, costly, or restrictive than necessary and appropriate to meet the child's needs;
- (2) help the child improve family living and social interaction skills;
- (3) help the child gain the necessary skills to return to the community;

(4) stabilize crisis admissions; and

(5) work with families throughout the placement to improve the ability of the families to care for children with severe emotional disturbance in the home.

Sec. 2. Minnesota Statutes 2008, section 245.4885, subdivision 1, is amended to read:

Subdivision 1. **Admission criteria.** ~~(a) The county board shall, Prior to admission, except in the case of emergency admission, determine the needed level of care for all children referred for treatment of severe emotional disturbance in a treatment foster care setting, residential treatment facility, or informally admitted to a regional treatment center shall undergo an assessment to determine the appropriate level of care if public funds are used to pay for the services. The county board shall also determine the needed level of care for all children admitted to an acute care hospital for treatment of severe emotional disturbance if public funds other than reimbursement under chapters 256B and 256D are used to pay for the services.~~

(b) The county board shall determine the appropriate level of care when county-controlled funds are used to pay for the services. When the child is enrolled in a prepaid health program under section 256B.69, the enrolled child's contracted health plan must determine the appropriate level of care. When more than one entity bears responsibility for coverage, the entities shall coordinate level of care determination activities to the extent possible.

(c) The level of care determination shall determine whether the proposed treatment:

(1) is necessary;

(2) is appropriate to the child's individual treatment needs;

(3) cannot be effectively provided in the child's home; and

(4) provides a length of stay as short as possible consistent with the individual child's need.

(d) When a level of care determination is conducted, the county board responsible entity may not determine that referral or admission to a treatment foster care setting, or residential treatment facility, or acute care hospital is not appropriate solely because services were not first provided to the child in a less restrictive setting and the child failed to make progress toward or meet treatment goals in the less restrictive setting. The level of care determination must be based on a diagnostic assessment that includes a functional assessment which evaluates family, school, and community living situations; and an assessment of the child's need for care out of the home using a validated tool which assesses a child's functional status and assigns an appropriate level of care. The validated tool must be approved by the commissioner of human services. If a diagnostic assessment including a functional assessment has been completed by a mental health professional within the past 180 days, a new diagnostic assessment need not be completed unless in the opinion of the current treating mental health professional the child's mental health status has changed markedly since the assessment was completed. The child's parent shall be notified if an assessment will not be completed and of the reasons. A copy of the notice shall be placed in the child's file. Recommendations developed as part of the level of care determination process shall include specific community services needed by the child and, if appropriate, the child's family, and shall indicate whether or not these services are available and accessible to the child and family.

(e) During the level of care determination process, the child, child's family, or child's legal representative, as appropriate, must be informed of the child's eligibility for case management services and family community support services and that an individual family community support plan is being developed by the case manager, if assigned.

(f) The level of care determination shall comply with section 260C.212. Wherever possible, The parent shall be consulted in the process, unless clinically inappropriate detrimental to the child.

(g) The level of care determination, and placement decision, and recommendations for mental health services must be documented in the child's record.

~~An alternate review process may be approved by the commissioner if the county board demonstrates that an alternate review process has been established by the county board and the times of review, persons responsible for the review, and review criteria are comparable to the standards in clauses (1) to (4).~~

Sec. 3. Minnesota Statutes 2008, section 245.4885, subdivision 1a, is amended to read:

Subd. 1a. **Emergency admission.** Effective July 1, 2006, if a child is admitted to a treatment foster care setting, residential treatment facility, or acute care hospital for emergency treatment or held for emergency care by a regional treatment center under section 253B.05, subdivision 1, the level of care determination must occur within ~~three~~ five working days of admission.

Sec. 4. Minnesota Statutes 2008, section 256.935, subdivision 1, is amended to read:

Subdivision 1. **Cremation, burial, and funeral expenses.** On the death of any person receiving public assistance through MFIP, the county agency shall ~~pay attempt to contact the decedent's spouse or next of kin. If the agency is not able to contact a spouse or next of kin and the personal preferences of the decedent or the practices of the decedent's faith tradition are not known, the agency shall pay for cremation of the person's remains and their burial or interment if the spouse or next of kin does not want to take possession of the ashes. If the county agency contacts the decedent's spouse or next of kin and it is determined that cremation is not in accordance with the decedent's personal preferences or the practices of the decedent's faith tradition or the personal preferences of the decedent's spouse or the decedent's next of kin, the county agency shall pay an amount for funeral expenses including the transportation of the body into or out of the community in which the deceased resided not exceeding the amount paid for comparable services under section 261.035 plus actual cemetery charges. No cremation, burial, or funeral expenses shall be paid if the estate of the deceased is sufficient to pay such expenses or if the spouse, who was legally responsible for the support of the deceased while living, is able to pay such expenses; provided, that the additional payment or donation of the cost of cemetery lot, interment, religious service, or for the transportation of the body into or out of the community in which the deceased resided, shall not limit payment by the county agency as herein authorized.~~ Freedom of choice in the selection of a funeral director shall be granted to persons lawfully authorized to make arrangements for the cremation or burial of any such deceased recipient. In determining the sufficiency of such estate, due regard shall be had for the nature and marketability of the assets of the estate. The county agency may grant cremation, burial, or funeral expenses where the sale would cause undue loss to the estate. Any amount paid for cremation, burial, or funeral expenses shall be a prior claim against the estate, as provided in section 524.3-805, and any amount recovered shall be reimbursed to the agency which paid the expenses. The commissioner shall specify requirements for reports, including fiscal reports, according to section 256.01, subdivision 2, paragraph ~~(17)~~ (q). The state share shall pay the entire amount of county agency expenditures. Benefits shall be issued to recipients by the state or county subject to provisions of section 256.017.

Sec. 5. Minnesota Statutes 2008, section 256B.0945, subdivision 1, is amended to read:

Subdivision 1. **Residential services; provider qualifications.** Counties must arrange to provide residential services for children with severe emotional disturbance according to sections 245.4882, 245.4885, and this section. Services must be provided by a facility that is licensed according to section 245.4882 and administrative rules promulgated thereunder, and under contract with the county. Eligible service costs may be claimed for a facility that is located in a state that borders Minnesota if:

(1) the facility is the closest facility to the child's home, providing the appropriate level of care; and

(2) the commissioner of human services has completed an inspection of the out-of-state program according to the interagency agreement with the commissioner of corrections under section 260B.198, subdivision 11, paragraph (b), and the program has been certified by the commissioner of corrections under section 260B.198, subdivision 11, paragraph (a), to substantially meet the standards applicable to children's residential mental health treatment programs under Minnesota Rules, chapter 2960. Nothing in this section requires the commissioner of human services to enforce the background study requirements under chapter 245C or the requirements related to prevention and investigation of alleged maltreatment under section 626.556 or 626.557. Complaints received by the commissioner of human services must be referred to the out-of-state licensing authority for possible follow-up.

Sec. 6. Minnesota Statutes 2008, section 256B.0945, subdivision 4, is amended to read:

Subd. 4. **Payment rates.** (a) Notwithstanding sections 256B.19 and 256B.041, payments to counties for residential services provided by a residential facility shall only be made of federal earnings for services provided under this section, and the nonfederal share of costs for services provided under this section shall be paid by the county from sources other than federal funds or funds used to match other federal funds. Payment to counties for services provided according to this section shall be a proportion of the per day contract rate that relates to rehabilitative mental health services and shall not include payment for costs or services that are billed to the IV-E program as room and board.

(b) Per diem rates paid to providers under this section by prepaid plans shall be the proportion of the per-day contract rate that relates to rehabilitative mental health services and shall not include payment for group foster care costs or services that are billed to the county of financial responsibility. Services provided in facilities located in bordering states are eligible for reimbursement on a fee-for-service basis only as described in paragraph (a) and are not covered under prepaid health plans.

(c) The commissioner shall set aside a portion not to exceed five percent of the federal funds earned for county expenditures under this section to cover the state costs of administering this section. Any unexpended funds from the set-aside shall be distributed to the counties in proportion to their earnings under this section.

Sec. 7. Minnesota Statutes 2008, section 256F.13, subdivision 1, is amended to read:

Subdivision 1. **Federal revenue enhancement.** (a) The commissioner of human services may enter into an agreement with one or more family services collaboratives to enhance federal reimbursement under title IV-E of the Social Security Act and federal administrative reimbursement under title XIX of the Social Security Act. The commissioner may contract with the Department of Education for purposes of transferring the federal reimbursement to the commissioner of education to be distributed to the collaboratives according to clause (2). The commissioner shall have the following authority and responsibilities regarding family services collaboratives:

(1) the commissioner shall submit amendments to state plans and seek waivers as necessary to implement the provisions of this section;

(2) the commissioner shall pay the federal reimbursement earned under this subdivision to each collaborative based on their earnings. Payments to collaboratives for expenditures under this subdivision will only be made of federal earnings from services provided by the collaborative;

(3) the commissioner shall review expenditures of family services collaboratives using reports specified in the agreement with the collaborative to ensure that the base level of expenditures is continued and new federal reimbursement is used to expand education, social, health, or health-related services to young children and their families;

(4) the commissioner may reduce, suspend, or eliminate a family services collaborative's obligations to continue the base level of expenditures or expansion of services if the commissioner determines that one or more of the following conditions apply:

(i) imposition of levy limits that significantly reduce available funds for social, health, or health-related services to families and children;

(ii) reduction in the net tax capacity of the taxable property eligible to be taxed by the lead county or subcontractor that significantly reduces available funds for education, social, health, or health-related services to families and children;

(iii) reduction in the number of children under age 19 in the county, collaborative service delivery area, subcontractor's district, or catchment area when compared to the number in the base year using the most recent data provided by the State Demographer's Office; or

(iv) termination of the federal revenue earned under the family services collaborative agreement;

(5) the commissioner shall not use the federal reimbursement earned under this subdivision in determining the allocation or distribution of other funds to counties or collaboratives;

(6) the commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the reporting or other requirements of this subdivision;

(7) the commissioner shall recover from the family services collaborative any federal fiscal disallowances or sanctions for audit exceptions directly attributable to the family services collaborative's actions in the integrated fund, or the proportional share if federal fiscal disallowances or sanctions are based on a statewide random sample; and

(8) the commissioner shall establish criteria for the family services collaborative for the accounting and financial management system that will support claims for federal reimbursement.

(b) The family services collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

(1) the family services collaborative shall be the party with which the commissioner contracts. A lead county shall be designated as the fiscal agency for reporting, claiming, and receiving payments;

(2) the family services collaboratives may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement, or to expand education, social, health, or health-related services to families and children;

~~(3) the family services collaborative must continue the base level of expenditures for education, social, health, or health-related services to families and children from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under this subdivision, would have been available for those services, except as provided in paragraph (a), clause (4). The base year for purposes of this subdivision shall be the four quarter calendar year ending at least two calendar quarters before the first calendar quarter in which the new federal reimbursement is earned;~~

~~(4) the family services collaborative must use all new federal reimbursement resulting from federal revenue enhancement to expand expenditures for education, social, health, or health-related services to families and children beyond the base level, except as provided in paragraph (a), clause (4);~~

~~(5)~~ (4) the family services collaborative must ensure that expenditures submitted for federal reimbursement are not made from federal funds or funds used to match other federal funds. Notwithstanding section 256B.19, subdivision 1, for the purposes of family services collaborative expenditures under agreement with the department, the nonfederal share of costs shall be provided by the family services collaborative from sources other than federal funds or funds used to match other federal funds;

~~(6)~~ (5) the family services collaborative must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the agreement; and

~~(7)~~ (6) the family services collaborative shall submit an annual report to the commissioner as specified in the agreement.

Sec. 8. Minnesota Statutes 2008, section 260C.212, subdivision 4a, is amended to read:

Subd. 4a. **Monthly caseworker visits.** (a) Every child in foster care or on a trial home visit shall be visited by the child's caseworker or another person who has responsibility for visitation of the child on a monthly basis, with the majority of visits occurring in the child's residence. For the purposes of this section, the following definitions apply:

(1) "visit" is defined as a face-to-face contact between a child and the child's caseworker;

(2) "visited on a monthly basis" is defined as at least one visit per calendar month;

(3) "the child's caseworker" is defined as the person who has responsibility for managing the child's foster care placement case as assigned by the responsible social service agency; and

(4) "the child's residence" is defined as the home where the child is residing, and can include the foster home, child care institution, or the home from which the child was removed if the child is on a trial home visit.

(b) Caseworker visits shall be of sufficient substance and duration to address issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the child.

Sec. 9. Minnesota Statutes 2008, section 260C.212, subdivision 11, is amended to read:

Subd. 11. **Rules; family and group foster care.** ~~The commissioner shall revise Minnesota Rules, parts 9545.0010 to 9545.0260, the rules setting standards for family and group family foster care. The commissioner shall:~~

(1) require that, as a condition of licensure, foster care providers attend training on understanding and validating the cultural heritage of all children in their care, and on the importance of the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; ~~and~~

(2) review and, where necessary, revise foster care rules to reflect sensitivity to cultural diversity and differing lifestyles. Specifically, the commissioner shall examine whether space and other requirements discriminate against single-parent, minority, or low-income families who may be able to provide quality foster care reflecting the values of their own respective cultures; and

(3) relieve relative foster care providers of the requirements promulgated as a result of clauses (1) and (2) when the safety of the child is not jeopardized and as allowed under federal law.

Sec. 10. Minnesota Statutes 2008, section 261.035, is amended to read:

261.035 CREMATION, BURIAL, AND FUNERALS AT EXPENSE OF COUNTY.

When a person dies in any county without apparent means to provide for that person's funeral or final disposition, the county board shall first investigate to determine whether that person had contracted for any prepaid funeral arrangements. If prepaid arrangements have been made, the county shall authorize arrangements to be implemented in accord with the instructions of the deceased. If it is determined that the person did not leave sufficient means to defray the necessary expenses of a funeral and final disposition, nor any spouse of sufficient ability to procure the burial, the county board shall provide pay for a funeral and final disposition cremation of the person's remains and the person's burial or interment if the spouse or next of kin does not want to take possession of the ashes to be made at the expense of the county. If it is determined that cremation is not in accordance with the decedent's personal preferences or the known practices of the decedent's faith tradition or the personal preferences of the decedent's spouse or the decedent's next of kin, the county board shall provide for a burial and funeral. Any burial, funeral and final disposition provided at the expense of the county shall be in accordance with religious and moral beliefs of the decedent or personal preferences or known practices of the decedent's faith tradition or the personal preferences of the decedent's spouse or the decedent's next of kin. If neither the wishes of the decedent ~~are not known,~~ nor the practices of the decedent's faith tradition are known, and the county has no information about the existence of or location of any next of kin, the county ~~may determine the method of final disposition~~ may provide for cremation of the person's remains and burial or interment.

ARTICLE 2

HEALTH CARE

Section 1. Minnesota Statutes 2008, section 62Q.37, subdivision 3, is amended to read:

Subd. 3. **Audits.** (a) The commissioner may conduct routine audits and investigations as prescribed under the commissioner's respective state authorizing statutes. If a nationally recognized independent organization has conducted an audit of the health plan company using audit procedures that are comparable to or more stringent than the commissioner's audit procedures:

(1) the commissioner ~~may~~ shall accept the independent audit, including standards and audit practices, and require no further audit if the results of the independent audit show that the performance standard being audited meets or exceeds state standards;

(2) the commissioner may accept the independent audit and limit further auditing if the results of the independent audit show that the performance standard being audited partially meets state standards;

(3) the health plan company must demonstrate to the commissioner that the nationally recognized independent organization that conducted the audit is qualified and that the results of the audit demonstrate that the particular performance standard partially or fully meets state standards; and

(4) if the commissioner has partially or fully accepted an independent audit of the performance standard, the commissioner may use the finding of a deficiency with regard to statutes or rules by an independent audit as the basis for a targeted audit or enforcement action.

(b) If a health plan company has formally delegated activities that are required under either state law or contract to another organization that has undergone an audit by a nationally recognized independent organization, that health plan company may use the nationally recognized accrediting body's determination on its own behalf under this section.

Sec. 2. Minnesota Statutes 2008, section 144A.04, subdivision 11, is amended to read:

Subd. 11. **Incontinent residents.** ~~Notwithstanding Minnesota Rules, part 4658.0520, an incontinent resident must be checked according to a specific time interval written in the resident's treated according to the comprehensive assessment and care plan. The resident's attending physician must authorize in writing any interval longer than two hours unless the resident, if competent, or a family member or legally appointed conservator, guardian, or health care agent of a resident who is not competent, agrees in writing to waive physician involvement in determining this interval, and this waiver is documented in the resident's care plan.~~

Sec. 3. Minnesota Statutes 2008, section 144A.04, is amended by adding a subdivision to read:

Subd. 12. **Resident positioning.** Notwithstanding Minnesota Rules, part 4658.0525, subpart 4, the position of residents unable to change their own position must be changed based on the comprehensive assessment and care plan.

Sec. 4. Minnesota Statutes 2008, section 144A.43, is amended by adding a subdivision to read:

Subd. 5. **Medication reminder.** "Medication reminder" means providing a verbal or visual reminder to a client to take medication. This includes bringing the medication to the client and providing liquids or nutrition to accompany medication that a client is self-administering.

Sec. 5. Minnesota Statutes 2008, section 144A.45, subdivision 1, is amended to read:

Subdivision 1. **Rules.** The commissioner shall adopt rules for the regulation of home care providers pursuant to sections 144A.43 to 144A.47. The rules shall include the following:

(1) provisions to assure, to the extent possible, the health, safety and well-being, and appropriate treatment of persons who receive home care services;

(2) requirements that home care providers furnish the commissioner with specified information necessary to implement sections 144A.43 to 144A.47;

(3) standards of training of home care provider personnel, which may vary according to the nature of the services provided or the health status of the consumer;

(4) standards for medication management which may vary according to the nature of the services provided, the setting in which the services are provided, or the status of the consumer. Medication management includes the central storage, handling, distribution, and administration of medications;

(5) standards for supervision of home care services requiring supervision by a registered nurse or other appropriate health care professional which must occur on site at least every 62 days, or more frequently if indicated by a clinical assessment, and in accordance with sections 148.171 to 148.285 and rules adopted thereunder, except that, ~~notwithstanding the provisions of Minnesota Rules, part 4668.0110, subpart 5, item B, supervision of a person performing home care aide tasks for a class B licensee providing paraprofessional services must occur only every 180 days, or more frequently if indicated by a clinical assessment~~ does not require nursing supervision;

(6) standards for client evaluation or assessment which may vary according to the nature of the services provided or the status of the consumer;

(7) requirements for the involvement of a consumer's physician, the documentation of physicians' orders, if required, and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(8) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(9) operating procedures required to implement the home care bill of rights.

Sec. 6. Minnesota Statutes 2008, section 144A.45, is amended by adding a subdivision to read:

Subd. 1b. **Home health aide qualifications.** Notwithstanding the provisions of Minnesota Rules, part 4668.0100, subpart 5, a person may perform home health aide tasks if the person maintains current registration as a nursing assistant on the Minnesota nursing assistant registry. Maintaining current registration on the Minnesota nursing assistant registry satisfies the documentation requirements of Minnesota Rules, part 4668.0110, subpart 3.

Sec. 7. **[245B.031] ACCREDITATION, ALTERNATIVE INSPECTION, AND DEEMED COMPLIANCE.**

Subdivision 1. **Day training and habilitation or supported employment services programs; alternative inspection status.** (a) A license holder providing day training and habilitation services or supported employment services according to this chapter, with a three-year accreditation from the Commission on Rehabilitation Facilities, that has had at least one on-site inspection by the commissioner following issuance of the initial license may request alternative inspection status under this section.

(b) The request for alternative inspection status must be made in the manner prescribed by the commissioner, and must include:

(1) a copy of the license holder's application to the Commission on Rehabilitation Facilities for accreditation;

(2) the most recent Commission on Rehabilitation Facilities accreditation survey report; and

(3) the most recent letter confirming the three-year accreditation and approval of the license holder's quality improvement plan.

Based on the request and the accompanying materials, the commissioner may approve alternative inspection status.

(c) Following approval of alternative inspection status, the commissioner may terminate the alternative inspection status or deny a subsequent alternative inspection status if the commissioner determines that any of the following conditions have occurred after approval of the alternative inspection process:

(1) the license holder has not maintained full three-year accreditation;

(2) the commissioner has substantiated maltreatment for which the license holder or facility is determined to be responsible during the three-year accreditation period; and

(3) during the three-year accreditation period, the license holder has been issued an order for conditional license, a fine, suspension, or license revocation that has not been reversed upon appeal.

(d) The commissioner's decision that the conditions for approval for the alternative licensing inspection status have not been met is final and not subject to appeal under the provisions of chapter 14.

Subd. 2. **Programs exempt from certain statutes.** (a) A license holder approved for alternative inspection status under this section is exempt from the requirements under:

(1) section 245B.04;

(2) section 245B.05, subdivisions 5 and 6;

(3) section 245B.06, subdivisions 1, 3, 4, 5, and 6; and

(4) section 245B.07, subdivisions 1, 4, and 6.

(b) Upon receipt of a complaint regarding a requirement under paragraph (a), the commissioner shall refer the complaint to the Commission on Rehabilitation Facilities for possible follow-up.

Subd. 3. **Programs deemed to be in compliance with nonexempt licensing requirements.** (a) License holders approved for alternative inspection status under this section are required to maintain compliance with all licensing standards from which they are not exempt under subdivision 2, paragraph (a).

(b) License holders approved for alternative inspection status under this section shall be deemed to be in compliance with all nonexempt statutes, and the commissioner shall not perform routine licensing inspections.

(c) Upon receipt of a complaint regarding the services of a license holder approved for alternative inspection under this section that is not related to a licensing requirement from which the license holder is exempt under subdivision 2, the commissioner shall investigate the complaint and may take any action as provided under section 245A.06 or 245A.07.

Subd. 4. **Investigations of alleged maltreatment of minors or vulnerable adults.** Nothing in this section changes the commissioner's responsibilities to investigate alleged or suspected maltreatment of a minor under section 626.556 or vulnerable adult under section 626.557.

Subd. 5. **Request to Commission on Rehabilitation Facilities to expand accreditation survey.** The commissioner shall submit a request to the Commission on Rehabilitation Facilities to routinely inspect for compliance with standards that are similar to the following nonexempt licensing requirements:

(1) section 245A.54;

(2) section 245A.66;

(3) section 245B.05, subdivisions 1, 2, and 7;

(4) section 245B.055;

(5) section 245B.06, subdivisions 2, 7, 9, and 10;

(6) section 245B.07, subdivisions 2, 5, and 8, paragraph (a), clause (7);

(7) section 245C.04, subdivision 1, paragraph (f);

(8) section 245C.07;

(9) section 245C.13, subdivision 2;

(10) section 245C.20; and

(11) Minnesota Rules, parts 9525.2700 to 9525.2810.

Sec. 8. Minnesota Statutes 2008, section 256.962, subdivision 6, is amended to read:

Subd. 6. **School districts and charter schools.** (a) At the beginning of each school year, a school district or charter school shall provide information to each student on the availability of health care coverage through the Minnesota health care programs.

~~(b) For each child who is determined to be eligible for the free and reduced-price school lunch program, the district shall provide the child's family with information on how to obtain an application for the Minnesota health care programs and application assistance.~~

~~(c)~~ (e) A school district or charter school shall also ensure that applications and information on application assistance are available at early childhood education sites and public schools located within the district's jurisdiction.

~~(d) Each district shall designate an enrollment specialist to provide application assistance and follow-up services with families who have indicated an interest in receiving information or an application for the Minnesota health care program. A district is eligible for the application assistance bonus described in subdivision 5.~~

~~(e) Each~~ (c) If a school district or charter school maintains a district Web site, the school district or charter school shall provide on ~~their~~ its Web site a link to information on how to obtain an application and application assistance.

Sec. 9. Minnesota Statutes 2008, section 256.962, subdivision 7, is amended to read:

Subd. 7. **Renewal notice.** (a) ~~Beginning December 1, 2007,~~ The commissioner shall mail a renewal notice to enrollees notifying the enrollees that the enrollees eligibility must be renewed. A notice shall be sent at least 90 days prior to the renewal date and at least 60 days prior to the renewal date.

~~(b) For enrollees who are receiving services through managed care plans, the managed care plan must provide a follow-up renewal call at least 60 days prior to the enrollees' renewal dates.~~

~~(c)~~ (e) The commissioner shall include the end of coverage dates on the monthly rosters of enrollees provided to managed care organizations.

Sec. 10. Minnesota Statutes 2008, section 471.61, subdivision 1, is amended to read:

Subdivision 1. **Officers, employees.** A county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department of the state, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes of officers, employees, or dependents, under a policy or policies or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits and hospitalization insurance or benefits for both employees and dependents or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of those forms of insurance or protection. A governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on the insurance or protection. A payment is deemed to be additional compensation paid to the officers or employees, but for purposes of determining contributions or benefits under a public pension or retirement system it is not deemed to be additional compensation. One or more governmental

units may determine that a person is an officer or employee if the person receives income from the governmental subdivisions without regard to the manner of election or appointment, including but not limited to employees of county historical societies that receive funding from the county and employees of the Minnesota Inter-county Association. The appropriate officer of the governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of premiums or charges and remit the share or portion to the insurer or company issuing the policy or contract.

A governmental unit, other than a school district, that pays all or part of the premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary money for the payment of the premiums or charges, and the sums levied and appropriated are not, in the event the sum exceeds the maximum sum allowed by the charter of a municipal corporation, considered part of the cost of government of the governmental unit as defined in any levy or expenditure limitation; provided at least 50 percent of the cost of benefits on dependents must be contributed by the employee or be paid by levies within existing charter tax limitations.

The word "dependents" as used in this subdivision means spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Notwithstanding any other law to the contrary, a political subdivision described in this subdivision may provide health benefits to its employees, dependents, and other eligible persons through negotiated contributions to self-funded multiemployer health and welfare funds.

EFFECTIVE DATE. This section is effective the day following final enactment; applies to contributions made before, on, or after that date; and is intended as a clarification of existing law.

Sec. 11. **REPEALER.**

Minnesota Rules, part 4668.0110, subpart 5, is repealed."

Delete the title and insert:

"A bill for an act relating to health and human services; relieving counties of certain mandates; making changes to residential treatment facilities; county payment of cremation, burial, and funeral expenses; child welfare provisions; health plan audits; nursing facilities; home health aides; inspections of day training and habilitation facilities; changing certain health care provisions relating to school districts, charter schools, and local governments; amending Minnesota Statutes 2008, sections 62Q.37, subdivision 3; 144A.04, subdivision 11, by adding a subdivision; 144A.43, by adding a subdivision; 144A.45, subdivision 1, by adding a subdivision; 245.4882, subdivision 1; 245.4885, subdivisions 1, 1a; 256.935, subdivision 1; 256.962, subdivisions 6, 7; 256B.0945, subdivisions 1, 4; 256F.13, subdivision 1; 260C.212, subdivisions 4a, 11; 261.035; 471.61, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 245B; repealing Minnesota Rules, part 4668.0110, subpart 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1328, A bill for an act relating to public health; addressing youth violence as a public health problem; coordinating and aligning prevention and intervention programs addressing risk factors of youth violence; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[145.958] YOUTH VIOLENCE PREVENTION.**

Subdivision 1. **Definitions.** For purposes of this section, "at-risk youth" means adolescents and teenagers who are likely to be a threat to the health and well-being of themselves or others through gang involvement, alcohol and drug use, unsafe sexual activity, dropping out of school, or through violence and other criminal activity.

Subd. 2. **Violence prevention programs for at-risk youth.** (a) Community-based violence prevention programs may apply to the commissioner of health for technical assistance. The programs must be community-based efforts serving at-risk youth and must work in collaboration with local schools, law enforcement agencies, faith communities, and community groups to provide a comprehensive approach to reducing youth violence by addressing the needs of at-risk youth.

(b) The programs must:

(1) ensure that there are trusted adults serving as role models and mentors for at-risk youth;

(2) intervene at the first signs that a youth may be at risk and strive to rehabilitate youth who are already involved in violence;

(3) work to strengthen families;

(4) work with schools in order to keep students engaged and help them prepare for higher education or job training; and

(5) teach self-respect and respect of others so that unsafe and unhealthy behaviors may be avoided.

(c) Violence prevention programs may include, but are not limited to mentorship; job placement and support; youth violence prevention training; parent and family intervention and teaching parenting skills; school-related initiative involving police liaison officers, youth leadership, peer mediation systems, after-school activities, and intervention in truancy cases; chemical dependency and mental health intervention, screening, and assessment; assisting juvenile offenders in reconnecting with families and reintegrating into the community; working with youth to prevent sexual violence; working with youth to prevent pregnancy and sexually transmitted diseases; and a youth helpline and street outreach workers to connect youth with needed services.

Subd. 3. **Coordination of prevention and intervention for programs for at-risk youth.** (a) The commissioner of health, in collaboration with the commissioners of public safety, human services, and education, shall identify five community-based violence prevention programs that meet the criteria described in this section. One of these programs identified must be serving the youth in Minneapolis, one program must be serving the youth in St. Paul, and the remaining three programs must be serving youth in communities outside the metro area.

(b) The commissioner of health shall provide technical support, within existing department resources, to these community programs including, but not limited to, assistance in seeking and applying for federal grants and private foundation funding.

(c) The commissioner of health shall monitor the progress of these programs in terms of the impact on public health and reducing juvenile violent crime, and shall identify the effective aspects of each program in order to assist other programs in replicating these successful aspects.

(d) The commissioner of health must apply to the Office of Justice Programs for funding under the Byrne Justice Assistance Grant Program, authorized as part of the American Recovery and Reinvestment Act of 2009.

(e) Paragraphs (a), (b), and (c) are effective contingent upon availability of funding to support these activities."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1728, A bill for an act relating to human services; amending child care programs, program integrity, adult supports including general assistance medical care and group residential housing, and Minnesota family investment program; utilizing home visitors as MFIP employment and training service providers; amending Minnesota Statutes 2008, sections 119B.011, subdivision 3; 119B.08, subdivision 2; 119B.09, subdivision 1; 119B.12, subdivision 1; 119B.13, subdivision 6; 119B.15; 119B.231, subdivision 3; 145A.17, by adding a subdivision; 256.014, subdivision 1; 256.0471, subdivision 1, by adding a subdivision; 256D.01, subdivision 1b; 256D.44, subdivision 3; 256I.04, subdivisions 2a, 3; 256I.05, subdivision 1k; 256J.24, subdivision 5; 256J.425, subdivisions 2, 3; 256J.49, subdivisions 1, 4; 256J.521, subdivision 2; 256J.545; 256J.561, subdivision 2; 256J.575, subdivision 3; 256J.626, subdivision 7; 256J.95, subdivisions 11, 13.

Reported the same back with the following amendments:

Page 11, delete article 4

Amend the title as follows:

Page 1, line 3, before "adult" insert "and"

Page 1, line 4, delete everything after "housing"

Page 1, line 5, delete everything before the semicolon

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1744, A bill for an act relating to government operations; creating technology accessibility standards for the state; authorizing rulemaking; establishing the advisory committee for technology standards for accessibility and usability; requiring a report; appropriating money; amending Minnesota Statutes 2008, sections 16C.02, by

adding a subdivision; 16C.03, subdivision 3; 16C.08, subdivision 2; 16E.01, subdivisions 1a, 3, by adding a subdivision; 16E.02, subdivision 1; 16E.03, subdivisions 2, 4, by adding a subdivision; 16E.04, subdivision 1; 16E.07, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16E.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 16C.02, is amended by adding a subdivision to read:

Subd. 22. **Accessibility and accessible.** "Accessibility" and "accessible" are defined by the accessibility standards adopted under section 16E.03.

Sec. 2. Minnesota Statutes 2008, section 16C.03, subdivision 3, is amended to read:

Subd. 3. **Acquisition authority.** The commissioner shall acquire all goods, services, and utilities needed by agencies. The commissioner shall acquire goods, services, and utilities by requests for bids, requests for proposals, reverse auctions as provided in section 16C.10, subdivision 7, or other methods provided by law, unless a section of law requires a particular method of acquisition to be used. The commissioner shall make all decisions regarding acquisition activities. The determination of the acquisition method and all decisions involved in the acquisition process, unless otherwise provided for by law, shall be based on best value which includes an evaluation of price and may include other considerations including, but not limited to, environmental considerations, quality, and vendor performance. A best value determination must be based on the evaluation criteria detailed in the solicitation document. If criteria other than price are used, the solicitation document must state the relative importance of price and other factors. Any or all responses may be rejected. When using the request for bid process, the bid must be awarded to the lowest responsive and responsible bidder, taking into consideration conformity with the specifications, terms of delivery, the purpose for which the contract or purchase is intended, the status and capability of the vendor, and other considerations imposed in the request for bids. The commissioner may decide which is the lowest responsible bidder for all purchases and may use the principles of life-cycle costing, where appropriate, in determining the lowest overall bid. The duties set forth in this subdivision are subject to delegation pursuant to this section.

The commissioner may require participation by other agencies in the development of enterprise procurements, including the development of product standards, the application of accessibility standards, specifications, and other requirements.

Sec. 3. Minnesota Statutes 2008, section 16C.08, subdivision 2, is amended to read:

Subd. 2. **Duties of contracting agency.** (a) Before an agency may seek approval of a professional or technical services contract valued in excess of \$5,000, it must provide the following:

(1) a description of how the proposed contract or amendment is necessary and reasonable to advance the statutory mission of the agency;

(2) a description of the agency's plan to notify firms or individuals who may be available to perform the services called for in the solicitation;

(3) a description of the performance measures or other tools, including accessibility measures if applicable, that will be used to monitor and evaluate contract performance; and

(4) an explanation detailing, if applicable, why this procurement is being pursued unilaterally by the agency and not as an enterprise procurement.

(b) In addition to paragraph (a), the agency must certify that:

- (1) no current state employee is able and available to perform the services called for by the contract;
- (2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;
- (3) reasonable efforts will be made to publicize the availability of the contract to the public;

(4) the agency will develop and implement a written plan providing for the assignment of specific agency personnel to manage the contract, including a monitoring and liaison function, the periodic review of interim reports or other indications of past performance, and the ultimate utilization of the final product of the services;

(5) the agency will not allow the contractor to begin work before the contract is fully executed unless an exception under section 16C.05, subdivision 2a, has been granted by the commissioner and funds are fully encumbered;

(6) the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;

(7) in the event the results of the contract work will be carried out or continued by state employees upon completion of the contract, the contractor is required to include state employees in development and training, to the extent necessary to ensure that after completion of the contract, state employees can perform any ongoing work related to the same function; and

(8) the agency will not contract out its previously eliminated jobs for four years without first considering the same former employees who are on the seniority unit layoff list who meet the minimum qualifications determined by the agency.

(c) A contract establishes an employment relationship for purposes of paragraph (b), clause (6), if, under federal laws governing the distinction between an employee and an independent contractor, a person would be considered an employee.

Sec. 4. Minnesota Statutes 2008, section 16E.01, subdivision 1a, is amended to read:

Subd. 1a. **Responsibilities.** The office shall provide oversight, leadership, and direction for information and telecommunications technology policy and the management, delivery, accessibility, and security of information and telecommunications technology systems and services in Minnesota. The office shall manage strategic investments in information and telecommunications technology systems and services to encourage the development of a technically literate society, to ensure sufficient access to and efficient delivery of accessible government services, and to maximize benefits for the state government as an enterprise.

Sec. 5. Minnesota Statutes 2008, section 16E.01, subdivision 3, is amended to read:

Subd. 3. **Duties.** (a) The office shall:

(1) manage the efficient and effective use of available federal, state, local, and public-private resources to develop statewide information and telecommunications technology systems and services and its infrastructure;

(2) approve state agency and intergovernmental information and telecommunications technology systems and services development efforts involving state or intergovernmental funding, including federal funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;

(3) ensure cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems and services, and define the structure and responsibilities of a representative governance structure;

(4) cooperate and collaborate with the legislative and judicial branches in the development of information and communications systems in those branches;

(5) continue the development of North Star, the state's official comprehensive online service and information initiative;

(6) promote and collaborate with the state's agencies in the state's transition to an effectively competitive telecommunications market;

(7) collaborate with entities carrying out education and lifelong learning initiatives to assist Minnesotans in developing technical literacy and obtaining access to ongoing learning resources;

(8) promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;

(9) promote and coordinate electronic commerce initiatives to ensure that Minnesota businesses and citizens can successfully compete in the global economy;

(10) manage and promote the regular and periodic reinvestment in the information and telecommunications technology systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

(11) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services, electronic data practices and privacy, and electronic commerce among international, national, state, and local public and private organizations;

(12) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by other public and private organizations while building on the existing governmental, educational, business, health care, and economic development infrastructures;

(13) identify, sponsor, develop, and execute shared information and telecommunications technology projects and ongoing operations; ~~and~~

(14) ensure overall security of the state's information and technology systems and services; and

(15) manage and direct compliance with accessibility standards for informational technology, including hardware, software, Web sites, online forms, and online surveys.

(b) The chief information officer, in consultation with the commissioner of finance, must determine when it is cost-effective for agencies to develop and use shared information and telecommunications technology systems and services for the delivery of electronic government services. The chief information officer may require agencies to use shared information and telecommunications technology systems and services. The chief information officer shall establish reimbursement rates in cooperation with the commissioner of finance to be billed to agencies and other governmental entities sufficient to cover the actual development, operating, maintenance, and administrative costs of the shared systems. The methodology for billing may include the use of interagency agreements, or other means as allowed by law.

(c) A state agency that has an information and telecommunications technology project with a total expected project cost of more than \$1,000,000, whether funded as part of the biennial budget or by any other means, shall register with the office by submitting basic project startup documentation, as specified by the chief information officer in both format and content, before any project funding is requested or committed and before the project commences. State agency project leaders must demonstrate that the project will be properly managed, provide updates to the project documentation as changes are proposed, and regularly report on the current status of the project on a schedule agreed to with the chief information officer.

(d) The chief information officer shall monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project. The audit analysis and evaluation of the projects subject to paragraph (c) must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record.

(e) For any active information and telecommunications technology project with a total expected project cost of more than \$10,000,000, the state agency must perform an annual independent audit that conforms to published project audit principles promulgated by the office.

(f) The chief information officer shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the office regarding projects the office has reviewed under paragraph (a), clause (2). The report must include the reasons for the determinations made in the review of each project and a description of its current status.

Sec. 6. **[16E.015] DEFINITIONS.**

Subdivision 1. **Applicability.** For the purposes of this chapter, the following terms have the meanings given them.

Subd. 2. **Accessibility; accessible.** "Accessibility" and "accessible" are defined by the accessibility standards developed and required under section 16E.03.

Subd. 3. **Undue burden.** "Undue burden" means significant difficulty or expense determined and documented by the funding agency, including but not limited to difficulty or expense associated with technical feasibility.

Subd. 4. **Infrastructure hardware.** "Infrastructure hardware" means servers, routers, switches, and non-end-user platform devices and their operating systems.

Sec. 7. Minnesota Statutes 2008, section 16E.02, subdivision 1, is amended to read:

Subdivision 1. **Office management and structure.** (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology advisor to the governor.

(b) The chief information officer may appoint other employees of the office. The staff of the office must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.

Sec. 8. Minnesota Statutes 2008, section 16E.03, subdivision 2, is amended to read:

Subd. 2. **Chief information officer's responsibility.** The chief information officer shall coordinate the state's information and telecommunications technology systems and services to serve the needs of the state government. The chief information officer shall:

(1) design a master plan for information and telecommunications technology systems and services in the state and its political subdivisions and shall report on the plan to the governor and legislature at the beginning of each regular session;

(2) coordinate, review, and approve all information and telecommunications technology projects and oversee the state's information and telecommunications technology systems and services;

(3) establish and enforce compliance with standards for information and telecommunications technology systems and services that are cost-effective and support open systems environments and that are compatible with state, national, and international standards, including accessibility standards;

(4) maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government;

(5) direct and manage the shared operations of the state's information and telecommunications technology systems and services; and

(6) establish and enforce standards and ensure acquisition of hardware and software necessary to protect data and systems in state agency networks connected to the Internet.

Sec. 9. Minnesota Statutes 2008, section 16E.03, subdivision 4, is amended to read:

Subd. 4. **Evaluation procedure.** The chief information officer shall establish and, as necessary, update and modify procedures to evaluate information and communications projects proposed by state agencies. The evaluation procedure must assess the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with other options. The evaluation procedure must assess accessibility of the information and communications projects.

Sec. 10. Minnesota Statutes 2008, section 16E.03, is amended by adding a subdivision to read:

Subd. 9. **Accessibility standards.** (a) The chief information officer shall develop accessibility standards applicable to technology, software, and hardware procurement, with the exception of infrastructure hardware. The standards shall not impose an undue burden on the state.

(b) The chief information officer shall require state agencies to adhere to the standards developed under this subdivision unless an exception is approved pursuant to subdivision 10. Except as provided in paragraph (c), the standards developed under this section must incorporate section 508 of the Rehabilitation Act, United States Code, title 29, section 794d, as amended by the Workforce Investment Act of 1998, Public Law 105-220, August 7, 1998, and the Web Content Accessibility Guidelines, 2.0. The chief information officer must review subsequent revisions to section 508 of the Rehabilitation Act and to the Web Content Accessibility Guidelines and may incorporate the revisions in the accessibility standards.

(c) If the chief information officer, in consultation with the advisory committee established under section 16E.0475, determines that any standard developed under this subdivision poses an undue burden to the state, the chief information officer may modify the burdensome standard, provided written findings and rationale are made explaining the deviation.

EFFECTIVE DATE. The standards adopted under this section may not take effect until July 1, 2009. The standards apply to all information technology procured, developed, or substantially modified or substantially enhanced after the effective date of the standards. The standards do not apply to any procurement or development process initiated before the effective date of the standards.

Sec. 11. Minnesota Statutes 2008, section 16E.03, is amended by adding a subdivision to read:

Subd. 10. Exceptions to accessibility standards. Exceptions to the standards may be granted by the chief information officer based upon a request by an agency made in accordance with the thresholds and process established under section 16E.0475, subdivision 2.

Sec. 12. Minnesota Statutes 2008, section 16E.04, subdivision 1, is amended to read:

Subdivision 1. **Development.** The office shall develop, establish, and enforce policies and standards, including accessibility standards, for state agencies to follow in developing and purchasing information and telecommunications technology systems and services and training appropriate persons in their use. The office shall develop, promote, and manage state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.

Sec. 13. **[16E.0475] ADVISORY COMMITTEE FOR TECHNOLOGY STANDARDS FOR ACCESSIBILITY AND USABILITY.**

Subdivision 1. Membership. The Advisory Committee for Technology Standards for Accessibility and Usability consists of ten members, appointed as follows:

- (1) the state chief information officer, or the state chief information officer's designee;
- (2) a representative from State Services for the Blind, appointed by the commissioner of employment and economic development;
- (3) the commissioner of administration, or the commissioner's designee;
- (4) a representative selected by the Minnesota system of technology to achieve results program;
- (5) a representative selected by the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans;
- (6) the commissioner of education, or the commissioner's designee;
- (7) the commissioner of health, or the commissioner's designee;
- (8) the commissioner of human services, or the commissioner's designee;
- (9) one representative from the Minnesota judicial system designated by the chief justice; and
- (10) one staff member from the legislature, appointed by the chair of the Legislative Coordinating Commission.

The appointing authorities under this subdivision must use their best efforts to ensure that the membership of the advisory committee includes at least one representative who is deaf, hard-of-hearing, or deaf-blind, and at least one representative who is blind.

The advisory committee shall elect a chair from its membership.

Subd. 2. **Duties.** The advisory committee shall:

(1) recommend review processes to be used for the evaluation of accessibility of information technology systems against accessibility standards;

(2) review and evaluate the accessibility and usability of any purchased or created information technology and telecommunications systems;

(3) provide, in consultation with state agencies serving disabled Minnesotans, training and technical assistance for state agency staff, including instruction regarding compliance with accessibility standards;

(4) convene customer groups composed of individuals with disabilities to assist in implementation of accessibility standards;

(5) review customer comments about accessibility and usability issues collected by State Services for the Blind; and

(6) develop proposals for funding captioning of live videoconferencing, live Webcasts, Web streaming, podcasts, and other emerging technologies.

The advisory committee shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over state technology systems by January 15 of each year, regarding the findings, progress, and recommendations made by the advisory committee under this subdivision. The report shall include any draft legislation necessary to implement the committee's recommendations.

Subd. 3. **Terms, compensation, and removal.** The terms, compensation, and removal of members are governed by section 15.059.

Subd. 4. **Expiration.** This section expires June 30, 2011.

Sec. 14. Minnesota Statutes 2008, section 16E.07, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) **Core services.** "Core services" means accessible information system applications required to provide secure information services and online applications and content to the public from government units. Online applications may include, but are not limited to:

(1) standardized public directory services and standardized content services;

(2) online search systems;

(3) general technical services to support government unit online services;

(4) electronic conferencing and communication services;

(5) secure electronic transaction services;

(6) digital audio, video, and multimedia services; and

(7) government intranet content and service development.

(c) **Government unit.** "Government unit" means a state department, agency, commission, council, board, task force, or committee; a constitutional office; a court entity; the Minnesota State Colleges and Universities; a county, statutory or home rule charter city, or town; a school district; a special district; or any other board, commission, district, or authority created under law, local ordinance, or charter provision.

Sec. 15. **ESTABLISHMENT OF ADVISORY COMMITTEE FOR TECHNOLOGY STANDARDS.**

The appointing authorities for the advisory committee established in Minnesota Statutes, section 16E.0475, must complete their appointments by August 1, 2009. The chief information officer or the chief information officer's designee shall convene the first meeting of the committee no later than September 1, 2009. The committee shall elect a chair as provided in Minnesota Statutes, section 16E.0475, at the first meeting of the committee.

Sec. 16. **TELECOMMUNICATIONS ACCESS MINNESOTA FUND; APPROPRIATION.**

(a) Notwithstanding the limitations and in addition to the appropriation authorized in Minnesota Statutes, section 237.52, \$300,000 in fiscal year 2010 and \$300,000 in fiscal year 2011 are appropriated from the telecommunications access Minnesota fund as follows:

(1) \$100,000 each year to the chief information officer for coordinating technology accessibility and usability;

(2) \$100,000 each year to the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans to provide information on their Web site in American Sign Language and to provide technical assistance to state agencies; and

(3) \$100,000 each year to the Legislative Coordinating Commission for a pilot program to provide captioning of live streaming of legislative sessions on the commission's Web site.

This is a onetime appropriation.

(b) Of the money available to Minnesota from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and allocated to the Department of Employment and Economic Development for activities authorized under title 1 of the Rehabilitation Act of 1973, as amended, and Code of Federal Regulations, title 34, part 361, of its implementing regulations, up to \$276,000 must be transferred to the Department of Administration and the Office of Enterprise Technology to develop and implement technology accessibility standards in order to expand employment outcomes for individuals with disabilities.

This is a onetime appropriation.

Sec. 17. **REPEAL OF PRIOR APPROPRIATION.**

If H. F. No. 2123 is enacted in the 2009 regular session, the appropriation to the commissioner of commerce in H. F. No. 2123, article 2, section 3, subdivision 8, is repealed.

Sec. 18. **EFFECTIVE DATE.**

This act is effective July 1, 2009."

Delete the title and insert:

"A bill for an act relating to government operations; creating technology accessibility standards for the state; authorizing rulemaking; establishing the advisory committee for technology standards for accessibility and usability; requiring a report; appropriating money; amending Minnesota Statutes 2008, sections 16C.02, by adding a subdivision; 16C.03, subdivision 3; 16C.08, subdivision 2; 16E.01, subdivisions 1a, 3; 16E.02, subdivision 1; 16E.03, subdivisions 2, 4, by adding subdivisions; 16E.04, subdivision 1; 16E.07, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16E."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 2069, A bill for an act relating to human services; creating chemical health pilot projects; requiring reports.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **STATE-COUNTY CHEMICAL HEALTH CARE HOME PILOT PROJECT.**

Subdivision 1. **Establishment; purpose.** There is established a state-county chemical health care home pilot project. The purpose of the pilot project is for the Department of Human Services and counties to work in partnership to redesign the current chemical health delivery system to promote greater accountability, productivity, and results in the delivery of state chemical dependency services. The pilot project must look to promote appropriate flexibility in a way that better aligns systems and services to offer the most appropriate level of chemical health care services to the client. This may include, but is not limited to, developing new governance agreements, performance agreements, or service level agreements. The pilot projects must maintain eligibility levels under the current programmatic entitlement structure, continue to meet the requirements of Rule 25 (Minnesota Rules, parts 9530.6600 to 9530.6655) and Rule 31 (Minnesota Rules, parts 9530.6405 to 9530.6505), and must not put at risk current and future federal funding toward chemical health-related services in Minnesota.

Subd. 2. **Work group.** A work group must be convened on or before July 1, 2009, consisting of representatives from the Department of Human Services and participating counties to develop final proposals for pilot projects meeting the requirements of this section. This work group must focus its efforts on the need for systems change, mandate and waiver relief, payment reform or other funding options, and outcomes. The work group must report back to the legislative committees having jurisdiction over chemical health by January 15, 2010, for final approval of pilot projects to be implemented starting July 10, 2010.

Subd. 3. **Report.** The Department of Human Services shall report back to the legislative committees having jurisdiction over chemical health by January 15, 2011, evaluating the effectiveness of pilot projects, including recommendations for how to implement the pilot projects on a statewide basis.

Subd. 4. **Expiration.** These pilot projects expire June 30, 2012.

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

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

S. F. No. 1566, A bill for an act relating to human services; amending health care eligibility provisions for medical assistance, MinnesotaCare, and general assistance medical care; establishing a Drug Utilization Review Board; authorizing rulemaking; requiring a report; amending Minnesota Statutes 2008, sections 62J.2930, subdivision 3; 245.494, subdivision 3; 256.015, subdivision 7; 256.969, subdivision 3a; 256B.037, subdivision 5; 256B.056, subdivisions 1c, 3c, 6; 256B.0625, by adding subdivisions; 256B.094, subdivision 3; 256B.195, subdivisions 1, 2, 3; 256B.69, subdivision 5a; 256B.77, subdivision 13; 256D.03, subdivision 3; 256L.01, by adding a subdivision; 256L.03, subdivision 5; 256L.15, subdivision 2; 507.092, by adding a subdivision; Laws 2005, First Special Session chapter 4, article 8, sections 54; 61; 63; 66; 74; repealing Minnesota Statutes 2008, sections 256B.031; 256L.01, subdivision 4; Laws 2005, First Special Session chapter 4, article 8, sections 21; 22; 23; 24.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 62J.2930, subdivision 3, is amended to read:

Subd. 3. **Consumer information.** (a) The information clearinghouse or another entity designated by the commissioner shall provide consumer information to health plan company enrollees to:

- (1) assist enrollees in understanding their rights;
- (2) explain and assist in the use of all available complaint systems, including internal complaint systems within health carriers, community integrated service networks, and the Departments of Health and Commerce;
- (3) provide information on coverage options in each region of the state;
- (4) provide information on the availability of purchasing pools and enrollee subsidies; and
- (5) help consumers use the health care system to obtain coverage.

(b) The information clearinghouse or other entity designated by the commissioner for the purposes of this subdivision shall not:

- (1) provide legal services to consumers;
- (2) represent a consumer or enrollee; or
- (3) serve as an advocate for consumers in disputes with health plan companies.

(c) Nothing in this subdivision shall interfere with the ombudsman program established under section ~~256B.031, subdivision 6~~ 256B.69, subdivision 20, or other existing ombudsman programs.

Sec. 2. Minnesota Statutes 2008, section 245.494, subdivision 3, is amended to read:

Subd. 3. **Duties of the commissioner of human services.** The commissioner of human services, in consultation with the Integrated Fund Task Force, shall:

(1) in the first quarter of 1994, in areas where a local children's mental health collaborative has been established, based on an independent actuarial analysis, identify all medical assistance and MinnesotaCare resources devoted to mental health services for children in the target population including inpatient, outpatient, medication management, services under the rehabilitation option, and related physician services in the total health capitation of prepaid plans under contract with the commissioner to provide medical assistance services under section 256B.69;

(2) assist each children's mental health collaborative to determine an actuarially feasible operational target population;

(3) ensure that a prepaid health plan that contracts with the commissioner to provide medical assistance or MinnesotaCare services shall pass through the identified resources to a collaborative or collaboratives upon the collaboratives meeting the requirements of section 245.4933 to serve the collaborative's operational target population. The commissioner shall, through an independent actuarial analysis, specify differential rates the prepaid health plan must pay the collaborative based upon severity, functioning, and other risk factors, taking into consideration the fee-for-service experience of children excluded from prepaid medical assistance participation;

(4) ensure that a children's mental health collaborative that enters into an agreement with a prepaid health plan under contract with the commissioner shall accept medical assistance recipients in the operational target population on a first-come, first-served basis up to the collaborative's operating capacity or as determined in the agreement between the collaborative and the commissioner;

(5) ensure that a children's mental health collaborative that receives resources passed through a prepaid health plan under contract with the commissioner shall be subject to the quality assurance standards, reporting of utilization information, standards set out in sections 245.487 to 245.4889, and other requirements established in Minnesota Rules, part 9500.1460;

(6) ensure that any prepaid health plan that contracts with the commissioner, including a plan that contracts under section 256B.69, must enter into an agreement with any collaborative operating in the same service delivery area that:

(i) meets the requirements of section 245.4933;

(ii) is willing to accept the rate determined by the commissioner to provide medical assistance services; and

(iii) requests to contract with the prepaid health plan;

(7) ensure that no agreement between a health plan and a collaborative shall terminate the legal responsibility of the health plan to assure that all activities under the contract are carried out. The agreement may require the collaborative to indemnify the health plan for activities that are not carried out;

(8) ensure that where a collaborative enters into an agreement with the commissioner to provide medical assistance and MinnesotaCare services a separate capitation rate will be determined through an independent actuarial analysis which is based upon the factors set forth in clause (3) to be paid to a collaborative for children in the operational target population who are eligible for medical assistance but not included in the prepaid health plan contract with the commissioner;

(9) ensure that in counties where no prepaid health plan contract to provide medical assistance or MinnesotaCare services exists, a children's mental health collaborative that meets the requirements of section 245.4933 shall:

(i) be paid a capitated rate, actuarially determined, that is based upon the collaborative's operational target population;

(ii) accept medical assistance or MinnesotaCare recipients in the operational target population on a first-come, first-served basis up to the collaborative's operating capacity or as determined in the contract between the collaborative and the commissioner; and

(iii) comply with quality assurance standards, reporting of utilization information, standards set out in sections 245.487 to 245.4889, and other requirements established in Minnesota Rules, part 9500.1460;

(10) subject to federal approval, in the development of rates for local children's mental health collaboratives, the commissioner shall consider, and may adjust, trend and utilization factors, to reflect changes in mental health service utilization and access;

(11) consider changes in mental health service utilization, access, and price, and determine the actuarial value of the services in the maintenance of rates for local children's mental health collaborative provided services, subject to federal approval;

(12) provide written notice to any prepaid health plan operating within the service delivery area of a children's mental health collaborative of the collaborative's existence within 30 days of the commissioner's receipt of notice of the collaborative's formation;

(13) ensure that in a geographic area where both a prepaid health plan including those established under either section 256B.69 or 256L.12 and a local children's mental health collaborative exist, medical assistance and MinnesotaCare recipients in the operational target population who are enrolled in prepaid health plans will have the choice to receive mental health services through either the prepaid health plan or the collaborative that has a contract with the prepaid health plan, according to the terms of the contract;

(14) develop a mechanism for integrating medical assistance resources for mental health service with MinnesotaCare and any other state and local resources available for services for children in the operational target population, and develop a procedure for making these resources available for use by a local children's mental health collaborative;

(15) gather data needed to manage mental health care including evaluation data and data necessary to establish a separate capitation rate for children's mental health services if that option is selected;

(16) by January 1, 1994, develop a model contract for providers of mental health managed care that meets the requirements set out in sections 245.491 to 245.495 and 256B.69, and utilize this contract for all subsequent awards, and before January 1, 1995, the commissioner of human services shall not enter into or extend any contract for any prepaid plan that would impede the implementation of sections 245.491 to 245.495;

(17) develop revenue enhancement or rebate mechanisms and procedures to certify expenditures made through local children's mental health collaboratives for services including administration and outreach that may be eligible for federal financial participation under medical assistance and other federal programs;

(18) ensure that new contracts and extensions or modifications to existing contracts under section 256B.69 do not impede implementation of sections 245.491 to 245.495;

(19) provide technical assistance to help local children's mental health collaboratives certify local expenditures for federal financial participation, using due diligence in order to meet implementation timelines for sections 245.491 to 245.495 and recommend necessary legislation to enhance federal revenue, provide clinical and management flexibility, and otherwise meet the goals of local children's mental health collaboratives and request necessary state plan amendments to maximize the availability of medical assistance for activities undertaken by the local children's mental health collaborative;

(20) take all steps necessary to secure medical assistance reimbursement under the rehabilitation option for family community support services and therapeutic support of foster care and for individualized rehabilitation services;

(21) provide a mechanism to identify separately the reimbursement to a county for child welfare targeted case management provided to children served by the local collaborative for purposes of subsequent transfer by the county to the integrated fund;

(22) ensure that family members who are enrolled in a prepaid health plan and whose children are receiving mental health services through a local children's mental health collaborative file complaints about mental health services needed by the family members, the commissioner shall comply with section ~~256B.031, subdivision 6~~ 256B.69, subdivision 20. A collaborative may assist a family to make a complaint; and

(23) facilitate a smooth transition for children receiving prepaid medical assistance or MinnesotaCare services through a children's mental health collaborative who become enrolled in a prepaid health plan.

Sec. 3. Minnesota Statutes 2008, section 256.015, subdivision 7, is amended to read:

Subd. 7. **Cooperation with information requests required.** (a) Upon the request of the ~~Department~~ commissioner of human services;

(1) any state agency or third party payer shall cooperate ~~with the department in~~ by furnishing information to help establish a third party liability. ~~Upon the request of the Department of Human Services or county child support or human service agencies, as required by the federal Deficit Reduction Act of 2005, Public Law 109-171;~~

(2) any employer or third party payer shall cooperate ~~in~~ by furnishing a data file containing information about group health insurance ~~plans~~ plan or medical benefit ~~plans available to~~ plan coverage of its employees or insureds within 60 days of the request.

(b) For purposes of section 176.191, subdivision 4, the ~~Department~~ commissioner of labor and industry may allow the ~~Department~~ commissioner of human services and county agencies direct access and data matching on information relating to workers' compensation claims in order to determine whether the claimant has reported the fact of a pending claim and the amount paid to or on behalf of the claimant to the ~~Department~~ commissioner of human services.

(c) For the purpose of compliance with section 169.09, subdivision 13, and federal requirements under Code of Federal Regulations, title 42, section 433.138(d)(4), the commissioner of public safety shall provide accident data as requested by the commissioner of human services. The disclosure shall not violate section 169.09, subdivision 13, paragraph (d).

(d) The ~~Department~~ commissioner of human services and county agencies shall limit its use of information gained from agencies, third party payers, and employers to purposes directly connected with the administration of its public assistance and child support programs. The provision of information by agencies, third party payers, and employers to the department under this subdivision is not a violation of any right of confidentiality or data privacy.

Sec. 4. Minnesota Statutes 2008, section 256.969, subdivision 3a, is amended to read:

Subd. 3a. **Payments.** (a) Acute care hospital billings under the medical assistance program must not be submitted until the recipient is discharged. However, the commissioner shall establish monthly interim payments for inpatient hospitals that have individual patient lengths of stay over 30 days regardless of diagnostic category. Except as provided in section 256.9693, medical assistance reimbursement for treatment of mental illness shall be reimbursed based on diagnostic classifications. Individual hospital payments established under this section and sections 256.9685, 256.9686, and 256.9695, in addition to third party and recipient liability, for discharges occurring during the rate year shall not exceed, in aggregate, the charges for the medical assistance covered inpatient services paid for the same period of time to the hospital. This payment limitation shall be calculated separately for medical assistance and general assistance medical care services. The limitation on general assistance medical care shall be effective for admissions occurring on or after July 1, 1991. Services that have rates established under subdivision 11 or 12, must be limited separately from other services. After consulting with the affected hospitals, the commissioner may consider related hospitals one entity and may merge the payment rates while maintaining separate provider numbers. The operating and property base rates per admission or per day shall be derived from the best Medicare and claims data available when rates are established. The commissioner shall determine the best Medicare and claims data, taking into consideration variables of recency of the data, audit disposition, settlement status, and the ability to set rates in a timely manner. The commissioner shall notify hospitals of payment rates by December 1 of the year preceding the rate year. The rate setting data must reflect the admissions data used to establish relative values. Base year changes from 1981 to the base year established for the rate year beginning January 1, 1991, and for subsequent rate years, shall not be limited to the limits ending June 30, 1987, on the maximum rate of increase under subdivision 1. The commissioner may adjust base year cost, relative value, and case mix index data to exclude the costs of services that have been discontinued by the October 1 of the year preceding the rate year or that are paid separately from inpatient services. Inpatient stays that encompass portions of two or more rate years shall have payments established based on payment rates in effect at the time of admission unless the date of admission preceded the rate year in effect by six months or more. In this case, operating payment rates for services rendered during the rate year in effect and established based on the date of admission shall be adjusted to the rate year in effect by the hospital cost index.

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

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

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

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

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

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

Sec. 5. Minnesota Statutes 2008, section 256B.037, subdivision 5, is amended to read:

Subd. 5. **Other contracts permitted.** Nothing in this section prohibits the commissioner from contracting with an organization for comprehensive health services, including dental services, under ~~section 256B.034~~, sections 256B.035, 256B.69, or 256D.03, subdivision 4, paragraph (c).

Sec. 6. Minnesota Statutes 2008, section 256B.056, subdivision 1c, is amended to read:

Subd. 1c. **Families with children income methodology.** (a)(1) [Expired, 1Sp2003 c 14 art 12 s 17]

(2) For applications processed within one calendar month prior to July 1, 2003, eligibility shall be determined by applying the income standards and methodologies in effect prior to July 1, 2003, for any months in the six-month budget period before July 1, 2003, and the income standards and methodologies in effect on July 1, 2003, for any months in the six-month budget period on or after that date. The income standards for each month shall be added together and compared to the applicant's total countable income for the six-month budget period to determine eligibility.

(3) For children ages one through 18 whose eligibility is determined under section 256B.057, subdivision 2, the following deductions shall be applied to income counted toward the child's eligibility as allowed under the state's AFDC plan in effect as of July 16, 1996: \$90 work expense, dependent care, and child support paid under court order. This clause is effective October 1, 2003.

(b) For families with children whose eligibility is determined using the standard specified in section 256B.056, subdivision 4, paragraph (c), 17 percent of countable earned income shall be disregarded for up to four months and the following deductions shall be applied to each individual's income counted toward eligibility as allowed under the state's AFDC plan in effect as of July 16, 1996: dependent care and child support paid under court order.

(c) If the four-month disregard in paragraph (b) has been applied to the wage earner's income for four months, the disregard shall not be applied again until the wage earner's income has not been considered in determining medical assistance eligibility for 12 consecutive months.

(d) The commissioner shall adjust the income standards under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services.

(e) For children age 18 or under, annual gifts of \$2,000 or less by a tax-exempt organization to or for the benefit of the child with a life-threatening illness must be disregarded from income.

Sec. 7. Minnesota Statutes 2008, section 256B.056, subdivision 3c, is amended to read:

Subd. 3c. **Asset limitations for families and children.** A household of two or more persons must not own more than \$20,000 in total net assets, and a household of one person must not own more than \$10,000 in total net assets. In addition to these maximum amounts, an eligible individual or family may accrue interest on these amounts, but they must be reduced to the maximum at the time of an eligibility redetermination. The value of assets that are not considered in determining eligibility for medical assistance for families and children is the value of those assets excluded under the AFDC state plan as of July 16, 1996, as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, with the following exceptions:

- (1) household goods and personal effects are not considered;
- (2) capital and operating assets of a trade or business up to \$200,000 are not considered;
- (3) one motor vehicle is excluded for each person of legal driving age who is employed or seeking employment;
- (4) ~~one burial plot and all other burial expenses equal to the supplemental security income program asset limit are not considered for each individual~~ assets designated as burial expenses are excluded to the same extent they are excluded by the Supplemental Security Income program;
- (5) court-ordered settlements up to \$10,000 are not considered;
- (6) individual retirement accounts and funds are not considered; and
- (7) assets owned by children are not considered.

Sec. 8. Minnesota Statutes 2008, section 256B.056, subdivision 6, is amended to read:

Subd. 6. **Assignment of benefits.** To be eligible for medical assistance a person must have applied or must agree to apply all proceeds received or receivable by the person or the person's legal representative from any third party liable for the costs of medical care. By accepting or receiving assistance, the person is deemed to have assigned the person's rights to medical support and third party payments as required by title 19 of the Social Security Act. Persons must cooperate with the state in establishing paternity and obtaining third party payments. By accepting medical assistance, a person assigns to the Department of Human Services all rights the person may have to medical support or payments for medical expenses from any other person or entity on their own or their dependent's behalf and agrees to cooperate with the state in establishing paternity and obtaining third party payments. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment takes effect upon the determination that the applicant is eligible for medical assistance and up to three months prior to the date of application if the applicant is determined eligible for and receives medical assistance benefits. The application must contain a statement explaining this assignment. For the purposes of this section, "the Department of Human Services or the state" includes prepaid health plans under contract with the commissioner according to sections ~~256B.031~~, 256B.69, 256D.03, subdivision 4, paragraph (c), and 256L.12; children's mental health collaboratives under section 245.493; demonstration projects for persons with disabilities under section 256B.77; nursing facilities under the alternative payment demonstration project under section 256B.434; and the county-based purchasing entities under section 256B.692.

Sec. 9. Minnesota Statutes 2008, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13i. **Drug Utilization Review Board; report.** (a) A nine-member Drug Utilization Review Board is established. The board must be comprised of at least three but no more than four licensed physicians actively engaged in the practice of medicine in Minnesota; at least three licensed pharmacists actively engaged in the practice

of pharmacy in Minnesota; and one consumer representative. The remainder must be made up of health care professionals who are licensed in their field and have recognized knowledge in the clinically appropriate prescribing, dispensing, and monitoring of covered outpatient drugs. Members of the board must be appointed by the commissioner, shall serve three-year terms, and may be reappointed by the commissioner. The board shall annually elect a chair from among its members.

(b) The board must be staffed by an employee of the department who shall serve as an ex officio nonvoting member of the board.

(c) The commissioner shall, with the advice of the board:

(1) implement a medical assistance retrospective and prospective drug utilization review program as required by United States Code, title 42, section 1396r-8(g)(3);

(2) develop and implement the predetermined criteria and practice parameters for appropriate prescribing to be used in retrospective and prospective drug utilization review;

(3) develop, select, implement, and assess interventions for physicians, pharmacists, and patients that are educational and not punitive in nature;

(4) establish a grievance and appeals process for physicians and pharmacists under this section;

(5) publish and disseminate educational information to physicians and pharmacists regarding the board and the review program;

(6) adopt and implement procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the review program that identifies individual physicians, pharmacists, or recipients;

(7) establish and implement an ongoing process to:

(i) receive public comment regarding drug utilization review criteria and standards; and

(ii) consider the comments along with other scientific and clinical information in order to revise criteria and standards on a timely basis; and

(8) adopt any rules necessary to carry out this section.

(d) The board may establish advisory committees. The commissioner may contract with appropriate organizations to assist the board in carrying out the board's duties. The commissioner may enter into contracts for services to develop and implement a retrospective and prospective review program.

(e) The board shall report to the commissioner annually on the date the drug utilization review annual report is due to the Centers for Medicare and Medicaid Services. This report must cover the preceding federal fiscal year. The commissioner shall make the report available to the public upon request. The report must include information on the activities of the board and the program; the effectiveness of implemented interventions; administrative costs; and any fiscal impact resulting from the program. An honorarium of \$100 per meeting and reimbursement for mileage must be paid to each board member in attendance.

(f) This subdivision is exempt from the provisions of section 15.059.

Sec. 10. Minnesota Statutes 2008, section 256B.0625, is amended by adding a subdivision to read:

Subd. 53. **Centers of excellence.** For complex medical procedures with a high degree of variation in outcomes, for which the Medicare program requires facilities providing the services to meet certain criteria as a condition of coverage, the commissioner may develop centers of excellence facility criteria in consultation with the Health Services Policy Committee, section 256B.0625, subdivision 3c. The criteria must reflect facility traits that have been linked to superior patient safety and outcomes for the procedures in question, and must be based on the best available empirical evidence. For medical assistance recipients enrolled on a fee-for-service basis, the commissioner may make coverage for these procedures conditional upon the facility providing the services meeting the specified criteria. Only facilities meeting the criteria may be reimbursed for the procedures in question.

EFFECTIVE DATE. This section is effective August 1, 2009, or upon federal approval, whichever is later.

Sec. 11. Minnesota Statutes 2008, section 256B.094, subdivision 3, is amended to read:

Subd. 3. **Coordination and provision of services.** (a) In a county or reservation where a prepaid medical assistance provider has contracted under section ~~256B.031~~ or 256B.69 to provide mental health services, the case management provider shall coordinate with the prepaid provider to ensure that all necessary mental health services required under the contract are provided to recipients of case management services.

(b) When the case management provider determines that a prepaid provider is not providing mental health services as required under the contract, the case management provider shall assist the recipient to appeal the prepaid provider's denial pursuant to section 256.045, and may make other arrangements for provision of the covered services.

(c) The case management provider may bill the provider of prepaid health care services for any mental health services provided to a recipient of case management services which the county or tribal social services arranges for or provides and which are included in the prepaid provider's contract, and which were determined to be medically necessary as a result of an appeal pursuant to section 256.045. The prepaid provider must reimburse the mental health provider, at the prepaid provider's standard rate for that service, for any services delivered under this subdivision.

(d) If the county or tribal social services has not obtained prior authorization for this service, or an appeal results in a determination that the services were not medically necessary, the county or tribal social services may not seek reimbursement from the prepaid provider.

Sec. 12. Minnesota Statutes 2008, section 256B.195, subdivision 1, is amended to read:

Subdivision 1. **Federal approval required.** ~~Sections Section 145.9268, 256.969, subdivision 26,~~ and this section are contingent on federal approval of the intergovernmental transfers and payments to safety net hospitals and community clinics authorized under this section. These sections are also contingent on current payment, by the government entities, of intergovernmental transfers under section 256B.19 and this section.

Sec. 13. Minnesota Statutes 2008, section 256B.195, subdivision 2, is amended to read:

Subd. 2. **Payments from governmental entities.** (a) In addition to any payment required under section 256B.19, effective July 15, 2001, the following government entities shall make the payments indicated ~~before noon on the 15th of each month~~ annually:

(1) Hennepin County, ~~\$2,000,000~~ \$24,000,000; and

(2) Ramsey County, ~~\$1,000,000~~ \$12,000,000.

(b) These sums shall be part of the designated governmental unit's portion of the nonfederal share of medical assistance costs. Of these payments, Hennepin County shall pay 71 percent directly to Hennepin County Medical Center, and Ramsey County shall pay 71 percent directly to Regions Hospital. The counties must provide certification to the commissioner of payments to hospitals under this subdivision.

Sec. 14. Minnesota Statutes 2008, section 256B.195, subdivision 3, is amended to read:

Subd. 3. **Payments to certain safety net providers.** (a) Effective July 15, 2001, the commissioner shall make the following payments to the hospitals indicated ~~after noon on the 15th of each month~~ annually:

(1) to Hennepin County Medical Center, any federal matching funds available to match the payments received by the medical center under subdivision 2, to increase payments for medical assistance admissions and to recognize higher medical assistance costs in institutions that provide high levels of charity care; and

(2) to Regions Hospital, any federal matching funds available to match the payments received by the hospital under subdivision 2, to increase payments for medical assistance admissions and to recognize higher medical assistance costs in institutions that provide high levels of charity care.

(b) Effective July 15, 2001, the following percentages of the transfers under subdivision 2 shall be retained by the commissioner for deposit each month into the general fund:

(1) 18 percent, plus any federal matching funds, shall be allocated for the following purposes:

(i) during the fiscal year beginning July 1, 2001, of the amount available under this clause, 39.7 percent shall be allocated to make increased hospital payments under section 256.969, subdivision 26; 34.2 percent shall be allocated to fund the amounts due from small rural hospitals, as defined in section 144.148, for overpayments under section 256.969, subdivision 5a, resulting from a determination that medical assistance and general assistance payments exceeded the charge limit during the period from 1994 to 1997; and 26.1 percent shall be allocated to the commissioner of health for rural hospital capital improvement grants under section 144.148; and

(ii) during fiscal years beginning on or after July 1, 2002, of the amount available under this clause, 55 percent shall be allocated to make increased hospital payments under section 256.969, subdivision 26, and 45 percent shall be allocated to the commissioner of health for rural hospital capital improvement grants under section 144.148; and

(2) 11 percent shall be allocated to the commissioner of health to fund community clinic grants under section 145.9268.

(c) This subdivision shall apply to fee-for-service payments only and shall not increase capitation payments or payments made based on average rates. The allocation in paragraph (b), clause (1), item (ii), to increase hospital payments under section 256.969, subdivision 26, shall not limit payments under that section.

(d) Medical assistance rate or payment changes, including those required to obtain federal financial participation under section 62J.692, subdivision 8, shall precede the determination of intergovernmental transfer amounts determined in this subdivision. Participation in the intergovernmental transfer program shall not result in the offset of any health care provider's receipt of medical assistance payment increases other than limits resulting from hospital-specific charge limits and limits on disproportionate share hospital payments.

(e) Effective July 1, 2003, if the amount available for allocation under paragraph (b) is greater than the amounts available during March 2003, after any increase in intergovernmental transfers and payments that result from section 256.969, subdivision 3a, paragraph (c), are paid to the general fund, any additional amounts available under this subdivision after reimbursement of the transfers under subdivision 2 shall be allocated to increase medical assistance payments, subject to hospital-specific charge limits and limits on disproportionate share hospital payments, as follows:

(1) if the payments under subdivision 5 are approved, the amount shall be paid to the largest ten percent of hospitals as measured by 2001 payments for medical assistance, general assistance medical care, and MinnesotaCare in the nonstate government hospital category. Payments shall be allocated according to each hospital's proportionate share of the 2001 payments; or

(2) if the payments under subdivision 5 are not approved, the amount shall be paid to the largest ten percent of hospitals as measured by 2001 payments for medical assistance, general assistance medical care, and MinnesotaCare in the nonstate government category and to the largest ten percent of hospitals as measured by payments for medical assistance, general assistance medical care, and MinnesotaCare in the nongovernment hospital category. Payments shall be allocated according to each hospital's proportionate share of the 2001 payments in their respective category of nonstate government and nongovernment. The commissioner shall determine which hospitals are in the nonstate government and nongovernment hospital categories.

Sec. 15. Minnesota Statutes 2008, section 256B.199, is amended to read:

256B.199 PAYMENTS REPORTED BY GOVERNMENTAL ENTITIES.

(a) Effective July 1, 2007, the commissioner shall apply for federal matching funds for the expenditures in paragraphs (b) and (c).

(b) The commissioner shall apply for federal matching funds for certified public expenditures as follows:

(1) Hennepin County, Hennepin County Medical Center, Ramsey County, Regions Hospital, the University of Minnesota, and Fairview-University Medical Center shall report ~~quarterly~~ annually to the commissioner beginning June 1, 2007, payments made during the ~~second~~ previous ~~quarter~~ calendar year that may qualify for reimbursement under federal law;

(2) based on these reports, the commissioner shall apply for federal matching funds. These funds are appropriated to the commissioner for the payments under section 256.969, subdivision 27; and

(3) by May 1 of each year, beginning May 1, 2007, the commissioner shall inform the nonstate entities listed in paragraph (a) of the amount of federal disproportionate share hospital payment money expected to be available in the current federal fiscal year.

(c) The commissioner shall apply for federal matching funds for general assistance medical care expenditures as follows:

(1) for hospital services occurring on or after July 1, 2007, general assistance medical care expenditures for fee-for-service inpatient and outpatient hospital payments made by the department shall be used to apply for federal matching funds, except as limited below:

(i) only those general assistance medical care expenditures made to an individual hospital that would not cause the hospital to exceed its individual hospital limits under section 1923 of the Social Security Act may be considered; and

(ii) general assistance medical care expenditures may be considered only to the extent of Minnesota's aggregate allotment under section 1923 of the Social Security Act; and

(2) all hospitals must provide any necessary expenditure, cost, and revenue information required by the commissioner as necessary for purposes of obtaining federal Medicaid matching funds for general assistance medical care expenditures.

Sec. 16. Minnesota Statutes 2008, section 256B.69, subdivision 5a, is amended to read:

Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year basis beginning January 1, 1996. Managed care contracts which were in effect on June 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995 through December 31, 1995 at the same terms that were in effect on June 30, 1995. The commissioner may issue separate contracts with requirements specific to services to medical assistance recipients age 65 and older.

(b) A prepaid health plan providing covered health services for eligible persons pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms of its contract with the commissioner. Requirements applicable to managed care programs under chapters 256B, 256D, and 256L, established after the effective date of a contract with the commissioner take effect when the contract is next issued or renewed.

(c) Effective for services rendered on or after January 1, 2003, the commissioner shall withhold five percent of managed care plan payments under this section for the prepaid medical assistance and general assistance medical care programs pending completion of performance targets. Each performance target must be quantifiable, objective, measurable, and reasonably attainable, except in the case of a performance target based on a federal or state law or rule. Criteria for assessment of each performance target must be outlined in writing prior to the contract effective date. The managed care plan must demonstrate, to the commissioner's satisfaction, that the data submitted regarding attainment of the performance target is accurate. The commissioner shall periodically change the administrative measures used as performance targets in order to improve plan performance across a broader range of administrative services. The performance targets must include measurement of plan efforts to contain spending on health care services and administrative activities. The commissioner may adopt plan-specific performance targets that take into account factors affecting only one plan, including characteristics of the plan's enrollee population. The withheld funds must be returned no sooner than July of the following year if performance targets in the contract are achieved. The commissioner may exclude special demonstration projects under subdivision 23. A managed care plan or a county-based purchasing plan under section 256B.692 may include as admitted assets under section 62D.044 any amount withheld under this paragraph that is reasonably expected to be returned.

(d)(1) Effective for services rendered on or after January 1, 2009, the commissioner shall withhold three percent of managed care plan payments under this section for the prepaid medical assistance and general assistance medical care programs. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(2) A managed care plan or a county-based purchasing plan under section 256B.692 may include as admitted assets under section 62D.044 any amount withheld under this paragraph. The return of the withhold under this paragraph is not subject to the requirements of paragraph (c).

(e) Contracts between the commissioner and a prepaid health plan are exempt from the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a), and 7.

Sec. 17. Minnesota Statutes 2008, section 256B.77, subdivision 13, is amended to read:

Subd. 13. **Ombudsman.** Enrollees shall have access to ombudsman services established in section ~~256B.031, subdivision 6~~ 256B.69, subdivision 20, and advocacy services provided by the ombudsman for mental health and developmental disabilities established in sections 245.91 to 245.97. The managed care ombudsman and the ombudsman for mental health and developmental disabilities shall coordinate services provided to avoid duplication of services. For purposes of the demonstration project, the powers and responsibilities of the Office of Ombudsman for Mental Health and Developmental Disabilities, as provided in sections 245.91 to 245.97 are expanded to include all eligible individuals, health plan companies, agencies, and providers participating in the demonstration project.

Sec. 18. Minnesota Statutes 2008, section 256D.03, subdivision 3, is amended to read:

Subd. 3. **General assistance medical care; eligibility.** (a) General assistance medical care may be paid for any person who is not eligible for medical assistance under chapter 256B, including eligibility for medical assistance based on a spenddown of excess income according to section 256B.056, subdivision 5, or MinnesotaCare ~~as~~ for applicants and recipients defined in paragraph ~~(b)~~ (c), except as provided in paragraph ~~(e)~~ (d), and:

(1) who is receiving assistance under section 256D.05, except for families with children who are eligible under Minnesota family investment program (MFIP), or who is having a payment made on the person's behalf under sections 256I.01 to 256I.06; or

(2) who is a resident of Minnesota; and

(i) who has gross countable income not in excess of 75 percent of the federal poverty guidelines for the family size, using a six-month budget period and whose equity in assets is not in excess of \$1,000 per assistance unit. General assistance medical care is not available for applicants or enrollees who are otherwise eligible for medical assistance but fail to verify their assets. Enrollees who become eligible for medical assistance shall be terminated and transferred to medical assistance. Exempt assets, the reduction of excess assets, and the waiver of excess assets must conform to the medical assistance program in section 256B.056, subdivisions 3 and 3d, with the following exception: the maximum amount of undistributed funds in a trust that could be distributed to or on behalf of the beneficiary by the trustee, assuming the full exercise of the trustee's discretion under the terms of the trust, must be applied toward the asset maximum; or

(ii) who has gross countable income above 75 percent of the federal poverty guidelines but not in excess of 175 percent of the federal poverty guidelines for the family size, using a six-month budget period, whose equity in assets is not in excess of the limits in section 256B.056, subdivision 3c, and who applies during an inpatient hospitalization; ~~or~~.

~~(iii)~~ (b) the commissioner shall adjust the income standards under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services.

~~(b)~~ (c) Effective for applications and renewals processed on or after September 1, 2006, general assistance medical care may not be paid for applicants or recipients who are adults with dependent children under 21 whose gross family income is equal to or less than 275 percent of the federal poverty guidelines who are not described in paragraph ~~(e)~~ (f).

~~(e)~~ (d) Effective for applications and renewals processed on or after September 1, 2006, general assistance medical care may be paid for applicants and recipients who meet all eligibility requirements of paragraph (a), clause (2), item (i), for a temporary period beginning the date of application. Immediately following approval of general assistance medical care, enrollees shall be enrolled in MinnesotaCare under section 256L.04, subdivision 7, with covered services as provided in section 256L.03 for the rest of the six-month general assistance medical care eligibility period, until their six-month renewal.

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

~~(e)~~ (f) Applicants and recipients eligible under paragraph (a), clause ~~(4)~~ (2), item (i), are exempt from the MinnesotaCare enrollment requirements in this subdivision if they:

(1) have applied for and are awaiting a determination of blindness or disability by the state medical review team or a determination of eligibility for Supplemental Security Income or Social Security Disability Insurance by the Social Security Administration;

- (2) fail to meet the requirements of section 256L.09, subdivision 2;
- (3) are homeless as defined by United States Code, title 42, section 11301, et seq.;
- (4) are classified as end-stage renal disease beneficiaries in the Medicare program;
- (5) are enrolled in private health care coverage as defined in section 256B.02, subdivision 9;
- (6) are eligible under paragraph ~~(j)~~ (k);
- (7) receive treatment funded pursuant to section 254B.02; or
- (8) reside in the Minnesota sex offender program defined in chapter 246B.

~~(g)~~ (g) For applications received on or after October 1, 2003, eligibility may begin no earlier than the date of application. For individuals eligible under paragraph (a), clause (2), item (i), a redetermination of eligibility must occur every 12 months. Individuals are eligible under paragraph (a), clause (2), item (ii), only during inpatient hospitalization but may reapply if there is a subsequent period of inpatient hospitalization.

~~(g)~~ (h) Beginning September 1, 2006, Minnesota health care program applications and renewals completed by recipients and applicants who are persons described in paragraph ~~(e)~~ (d) and submitted to the county agency shall be determined for MinnesotaCare eligibility by the county agency. If all other eligibility requirements of this subdivision are met, eligibility for general assistance medical care shall be available in any month during which MinnesotaCare enrollment is pending. Upon notification of eligibility for MinnesotaCare, notice of termination for eligibility for general assistance medical care shall be sent to an applicant or recipient. If all other eligibility requirements of this subdivision are met, eligibility for general assistance medical care shall be available until enrollment in MinnesotaCare subject to the provisions of paragraphs ~~(e)~~ (d), ~~(e)~~ (f), and ~~(f)~~ (g).

~~(h)~~ (i) The date of an initial Minnesota health care program application necessary to begin a determination of eligibility shall be the date the applicant has provided a name, address, and Social Security number, signed and dated, to the county agency or the Department of Human Services. If the applicant is unable to provide a name, address, Social Security number, and signature when health care is delivered due to a medical condition or disability, a health care provider may act on an applicant's behalf to establish the date of an initial Minnesota health care program application by providing the county agency or Department of Human Services with provider identification and a temporary unique identifier for the applicant. The applicant must complete the remainder of the application and provide necessary verification before eligibility can be determined. The applicant must complete the application within the time periods required under the medical assistance program as specified in Minnesota Rules, parts 9505.0015, subpart 5, and 9505.0090, subpart 2. The county agency must assist the applicant in obtaining verification if necessary.

~~(i)~~ (j) County agencies are authorized to use all automated databases containing information regarding recipients' or applicants' income in order to determine eligibility for general assistance medical care or MinnesotaCare. Such use shall be considered sufficient in order to determine eligibility and premium payments by the county agency.

~~(j)~~ (k) General assistance medical care is not available for a person in a correctional facility unless the person is detained by law for less than one year in a county correctional or detention facility as a person accused or convicted of a crime, or admitted as an inpatient to a hospital on a criminal hold order, and the person is a recipient of general assistance medical care at the time the person is detained by law or admitted on a criminal hold order and as long as the person continues to meet other eligibility requirements of this subdivision.

~~(k)~~ (l) General assistance medical care is not available for applicants or recipients who do not cooperate with the county agency to meet the requirements of medical assistance.

(4) (m) In determining the amount of assets of an individual eligible under paragraph (a), clause (2), item (i), there shall be included any asset or interest in an asset, including an asset excluded under paragraph (a), that was given away, sold, or disposed of for less than fair market value within the 60 months preceding application for general assistance medical care or during the period of eligibility. Any transfer described in this paragraph shall be presumed to have been for the purpose of establishing eligibility for general assistance medical care, unless the individual furnishes convincing evidence to establish that the transaction was exclusively for another purpose. For purposes of this paragraph, the value of the asset or interest shall be the fair market value at the time it was given away, sold, or disposed of, less the amount of compensation received. For any uncompensated transfer, the number of months of ineligibility, including partial months, shall be calculated by dividing the uncompensated transfer amount by the average monthly per person payment made by the medical assistance program to skilled nursing facilities for the previous calendar year. The individual shall remain ineligible until this fixed period has expired. The period of ineligibility may exceed 30 months, and a reapplication for benefits after 30 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired. The period of ineligibility begins in the month the transfer was reported to the county agency, or if the transfer was not reported, the month in which the county agency discovered the transfer, whichever comes first. For applicants, the period of ineligibility begins on the date of the first approved application.

~~(m)~~ (n) When determining eligibility for any state benefits under this subdivision, the income and resources of all noncitizens shall be deemed to include their sponsor's income and resources as defined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, title IV, Public Law 104-193, sections 421 and 422, and subsequently set out in federal rules.

~~(n)~~ (o) Undocumented noncitizens and nonimmigrants are ineligible for general assistance medical care. For purposes of this subdivision, a nonimmigrant is an individual in one or more of the classes listed in United States Code, title 8, section 1101(a)(15), and an undocumented noncitizen is an individual who resides in the United States without the approval or acquiescence of the United States Citizenship and Immigration Services.

~~(o)~~ (p) Notwithstanding any other provision of law, a noncitizen who is ineligible for medical assistance due to the deeming of a sponsor's income and resources, is ineligible for general assistance medical care.

~~(p)~~ (q) Effective July 1, 2003, general assistance medical care emergency services end.

Sec. 19. Minnesota Statutes 2008, section 256L.03, subdivision 5, is amended to read:

Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b) and (c), the MinnesotaCare benefit plan shall include the following co-payments and coinsurance requirements for all enrollees:

(1) ten percent of the paid charges for inpatient hospital services for adult enrollees, subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual ~~and \$3,000 per family;~~

(2) \$3 per prescription for adult enrollees;

(3) \$25 for eyeglasses for adult enrollees;

(4) \$3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse, audiologist, optician, or optometrist; and

(5) \$6 for nonemergency visits to a hospital-based emergency room.

(b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21.

(c) Paragraph (a) does not apply to pregnant women and children under the age of 21.

(d) Paragraph (a), clause (4), does not apply to mental health services.

(e) Adult enrollees with family gross income that exceeds 200 percent of the federal poverty guidelines or 215 percent of the federal poverty guidelines on or after July 1, 2009, and who are not pregnant shall be financially responsible for the coinsurance amount, if applicable, and amounts which exceed the \$10,000 inpatient hospital benefit limit.

(f) When a MinnesotaCare enrollee becomes a member of a prepaid health plan, or changes from one prepaid health plan to another during a calendar year, any charges submitted towards the \$10,000 annual inpatient benefit limit, and any out-of-pocket expenses incurred by the enrollee for inpatient services, that were submitted or incurred prior to enrollment, or prior to the change in health plans, shall be disregarded.

Sec. 20. Minnesota Statutes 2008, section 256L.15, subdivision 2, is amended to read:

Subd. 2. **Sliding fee scale; monthly gross individual or family income.** (a) The commissioner shall establish a sliding fee scale to determine the percentage of monthly gross individual or family income that households at different income levels must pay to obtain coverage through the MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly gross individual or family income. The sliding fee scale must contain separate tables based on enrollment of one, two, or three or more persons. Until June 30, 2009, the sliding fee scale begins with a premium of 1.5 percent of monthly gross individual or family income for individuals or families with incomes below the limits for the medical assistance program for families and children in effect on January 1, 1999, and proceeds through the following evenly spaced steps: 1.8, 2.3, 3.1, 3.8, 4.8, 5.9, 7.4, and 8.8 percent. These percentages are matched to evenly spaced income steps ranging from the medical assistance income limit for families and children in effect on January 1, 1999, to 275 percent of the federal poverty guidelines for the applicable family size, up to a family size of five. The sliding fee scale for a family of five must be used for families of more than five. The sliding fee scale and percentages are not subject to the provisions of chapter 14. If a family or individual reports increased income after enrollment, premiums shall be adjusted at the time the change in income is reported.

(b) Children in families whose gross income is above 275 percent of the federal poverty guidelines shall pay the maximum premium. The maximum premium is defined as a base charge for one, two, or three or more enrollees so that if all MinnesotaCare cases paid the maximum premium, the total revenue would equal the total cost of MinnesotaCare medical coverage and administration. In this calculation, administrative costs shall be assumed to equal ten percent of the total. The costs of medical coverage for pregnant women and children under age two and the enrollees in these groups shall be excluded from the total. The maximum premium for two enrollees shall be twice the maximum premium for one, and the maximum premium for three or more enrollees shall be three times the maximum premium for one.

(c) Beginning July 1, 2009, MinnesotaCare enrollees shall pay premiums according to the premium scale specified in paragraph (d) with the exception that children in families with income at or below 150 percent of the federal poverty guidelines shall pay a monthly premium of \$4. For purposes of paragraph (d), "minimum" means a monthly premium of \$4.

(d) The following premium scale is established for individuals and families with gross family incomes of ~~300~~ 275 percent of the federal poverty guidelines or less:

Federal Poverty Guideline Range	Percent of Average Gross Monthly Income
0-45%	minimum
46-54%	<u>\$4 or 1.1% of family income whichever is greater</u>

55-81%	1.6%
82-109%	2.2%
110-136%	2.9%
137-164%	3.6%
165-191%	4.6%
192-219%	5.6%
220-248%	6.5%
249-274% <u>249-275%</u>	7.2%
275-300%	8.0%

EFFECTIVE DATE. This section is effective January 1, 2009, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 21. Laws 2005, First Special Session chapter 4, article 8, section 54, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2007, or upon HealthMatch implementation, whichever is later~~ 2009.

Sec. 22. Laws 2005, First Special Session chapter 4, article 8, section 61, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2007, or upon HealthMatch implementation, whichever is later~~ 2009.

Sec. 23. Laws 2005, First Special Session chapter 4, article 8, section 63, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2007, or upon HealthMatch implementation, whichever is later~~ 2009.

Sec. 24. Laws 2005, First Special Session chapter 4, article 8, section 66, the effective date, is amended to read:

EFFECTIVE DATE. Paragraph (a) is effective August 1, ~~2007, or upon HealthMatch implementation, whichever is later~~ 2009, and paragraph (e) is effective September 1, 2006.

Sec. 25. Laws 2005, First Special Session chapter 4, article 8, section 74, the effective date, is amended to read:

EFFECTIVE DATE. The amendment to paragraph (a) changing gross family or individual income to monthly gross family or individual income is effective August 1, ~~2007, or upon implementation of HealthMatch, whichever is later~~ 2009. The amendment to paragraph (a) related to premium adjustments and changes of income and the amendment to paragraph (c) are effective September 1, 2005, or upon federal approval, whichever is later. ~~Prior to the implementation of HealthMatch, The commissioner shall implement this section to the fullest extent possible, including the use of manual processing. Upon implementation of HealthMatch, the commissioner shall implement this section in a manner consistent with the procedures and requirements of HealthMatch.~~

Sec. 26. **REPEALER.**

(a) Minnesota Statutes 2008, sections 256B.031; and 256L.01, subdivision 4, are repealed.

(b) Laws 2005, First Special Session chapter 4, article 8, sections 21; 22; 23; and 24, are repealed.

EFFECTIVE DATE. This section is effective August 1, 2009."

Delete the title and insert:

"A bill for an act relating to human services; changing health care eligibility and application provisions for medical assistance, MinnesotaCare, and general assistance medical care; requiring certain data; authorizing centers of excellence criteria; establishing a Drug Utilization Review Board; making technical changes; changing coinsurance provisions for MinnesotaCare; authorizing rulemaking; requiring a report; amending Minnesota Statutes 2008, sections 62J.2930, subdivision 3; 245.494, subdivision 3; 256.015, subdivision 7; 256.969, subdivision 3a; 256B.037, subdivision 5; 256B.056, subdivisions 1c, 3c, 6; 256B.0625, by adding subdivisions; 256B.094, subdivision 3; 256B.195, subdivisions 1, 2, 3; 256B.199; 256B.69, subdivision 5a; 256B.77, subdivision 13; 256D.03, subdivision 3; 256L.03, subdivision 5; 256L.15, subdivision 2; Laws 2005, First Special Session chapter 4, article 8, sections 54; 61; 63; 66; 74; repealing Minnesota Statutes 2008, sections 256B.031; 256L.01, subdivision 4; Laws 2005, First Special Session chapter 4, article 8, sections 21; 22; 23; 24."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 120, 266, 384, 501, 1231, 1276, 1328, 1728 and 2069 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1036, 1481 and 1566 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Sertich, Solberg, Anzelc, Rukavina and Dill introduced:

H. F. No. 2377, A bill for an act relating to capital improvements; appropriating money for asset preservation at Iron World; authorizing the sale and issuance of state bonds.

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

Sertich moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Juhnke.

McFarlane was excused between the hours of 11:20 a.m. and 3:25 p.m.

**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 Supplemental Calendar for the Day for Friday, May 8, 2009:

H. F. Nos. 348, 1505 and 1237; S. F. Nos. 1503, 492, 99 and 1033; H. F. No. 1849; S. F. No. 910; H. F. No. 1853; S. F. Nos. 477 and 764; H. F. No. 954; S. F. No. 237; H. F. Nos. 925 and 545; and S. F. Nos. 1009 and 1477.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Solberg announced his intention to place H. F. No. 1231 on the Fiscal Calendar for today, Friday, May 8, 2009.

CALENDAR FOR THE DAY

H. F. No. 804, A bill for an act relating to probate; modifying provisions governing guardians and conservators; amending Minnesota Statutes 2008, sections 260C.331, subdivision 1; 524.5-102, subdivision 7, by adding a subdivision; 524.5-304; 524.5-309; 524.5-310; 524.5-315; 524.5-316; 524.5-317; 524.5-406; 524.5-409; 524.5-413; 524.5-414; 524.5-420; proposing coding for new law in Minnesota Statutes, chapter 524.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Seifert	Simon	Solberg	Thissen	Wagenius	Winkler
Sertich	Slawik	Sterner	Tillberry	Ward	Zellers
Severson	Slocum	Swails	Torkelson	Welti	Spk. Kelliher
Shimanski	Smith	Thao	Urdahl	Westrom	

The bill was passed and its title agreed to.

H. F. No. 348, A bill for an act relating to attorneys; modifying and removing provisions limiting the practice of law by deputy sheriffs and coroners; amending Minnesota Statutes 2008, section 387.13.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Buesgens	Emmer	Hoppe
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The bill was passed and its title agreed to.

H. F. No. 1505 was reported to the House.

Hortman and Paymar moved to amend H. F. No. 1505, the second engrossment, as follows:

Page 3, after line 13, insert:

"Sec. 6. Minnesota Statutes 2008, section 609.321, is amended by adding a subdivision to read:

Subd. 14. Place of public accommodation. "Place of public accommodation" means a business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages, or accommodations are extended, offered, sold, or otherwise made available to the public.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date."

Page 4, after line 31, insert:

"Sec. 8. Minnesota Statutes 2008, section 609.324, subdivision 2, is amended to read:

Subd. 2. Solicitation or acceptance of solicitation to engage in prostitution in public place; penalty. Whoever solicits or accepts a solicitation to engage for hire in sexual penetration or sexual contact intentionally does any of the following while in a public place may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000 or both. is guilty of a gross misdemeanor:

(1) engages in prostitution with an individual 18 years of age or older; or

(2) hires or offers or agrees to hire an individual 18 years of age or older to engage in sexual penetration or sexual contact.

Except as otherwise provided in subdivision 4, a person who is convicted of violating this subdivision while acting as a patron must, at a minimum, be sentenced to pay a fine of at least \$1,500.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 9. Minnesota Statutes 2008, section 609.324, subdivision 3, is amended to read:

Subd. 3. Engaging in, hiring, or agreeing to hire adult to engage in prostitution; penalties. (a) Whoever intentionally does any of the following may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both is guilty of a misdemeanor:

(1) engages in prostitution with an individual 18 years of age or above; or

(2) hires or offers or agrees to hire an individual 18 years of age or above to engage in sexual penetration or sexual contact. Except as otherwise provided in subdivision 4, a person who is convicted of violating this ~~clause or~~ clause (1) paragraph while acting as a patron must, at a minimum, be sentenced to pay a fine of at least \$500.

(b) Whoever violates the provisions of this subdivision within two years of a previous prostitution conviction may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both for violating this section or section 609.322 is guilty of a gross misdemeanor. Except as otherwise provided in subdivision 4, a person who is convicted of a ~~gross misdemeanor violation of this subdivision~~ violating this paragraph while acting as a patron, must, at a minimum, be sentenced as follows:

(1) to pay a fine of at least \$1,500; and

(2) to serve 20 hours of community work service.

The court may waive the mandatory community work service if it makes specific, written findings that the community work service is not feasible or appropriate under the circumstances of the case.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date."

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. 1505, A bill for an act relating to public safety; modifying publication date of data on trafficking to every two years; providing for first- and second-degree sex trafficking; increasing criminal penalties for certain sex trafficking offenses; modifying provisions on solicitation of prostitution; adding sex trafficking to the definition of crime of violence; amending Minnesota Statutes 2008, sections 299A.785, subdivision 2; 609.281, subdivision 5; 609.321, subdivisions 7, 7a, by adding subdivisions; 609.322; 609.324, subdivisions 2, 3; 611A.036, subdivision 7; 624.712, subdivision 5.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Kohls was excused between the hours of 11:55 a.m. and 2:05 p.m.

S. F. No. 764 was reported to the House.

Buesgens moved to amend S. F. No. 764, the first engrossment, as follows:

Page 2, after line 13, insert:

"Subd. 6. **Compensation exception.** A member of the entity that participates by telephone or other electronic means from a location other than the regular meeting location must not receive per diem or travel expenses for participating in the meeting."

A roll call was requested and properly seconded.

The question was taken on the Buesgens amendment and the roll was called. There were 50 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Gottwalt	Kiffmeyer	Rosenthal	Torkelson
Anderson, B.	Dettmer	Gunther	Lenczewski	Sanders	Urdahl
Anderson, P.	Doepke	Hackbarth	Loon	Scalze	Welti
Anderson, S.	Downey	Hamilton	Mack	Scott	Westrom
Beard	Drazkowski	Holberg	Murdock	Seifert	Zellers
Brod	Eastlund	Hoppe	Newton	Severson	
Buesgens	Emmer	Howes	Nornes	Shimanski	
Cornish	Faust	Kath	Peppin	Smith	
Davids	Garofalo	Kelly	Peterson	Sterner	

Those who voted in the negative were:

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

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

Emmer moved to amend S. F. No. 764, the first engrossment, as follows:

Page 2, line 13, after the period, insert "In addition, the entity must post the notice on its website at least 10 days before the meeting."

The motion prevailed and the amendment was adopted.

Gottwalt moved to amend S. F. No. 764, the first engrossment, as amended, as follows:

Page 2, line 6, delete everything after the period

Page 2, delete lines 7 and 8

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 45 yeas and 85 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

S. F. No. 764, A bill for an act relating to state government; allowing state agencies to conduct meetings by telephone or by electronic means; proposing coding for new law in Minnesota Statutes, chapter 13D.

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 90 yeas and 40 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

S. F. No. 1033 was reported to the House.

Mariani moved to amend S. F. No. 1033 as follows:

Page 1, line 16, before the semicolon, insert "The public assistance must be governed by an agreement between the governmental unit and the developer or owner and specify the term of the public assistance".

The motion prevailed and the amendment was adopted.

S. F. No. 1033, A bill for an act relating to housing; modifying municipality rent control provisions; amending Minnesota Statutes 2008, section 471.9996, subdivision 1.

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 97 yeas and 32 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Doepke	Hamilton	Murdock	Severson	Westrom
Anderson, P.	Downey	Holberg	Nornes	Shimanski	Zellers
Anderson, S.	Drazkowski	Kelly	Peppin	Smith	
Beard	Emmer	Lanning	Sanders	Sterner	
Dean	Garofalo	Loon	Scott	Torkelson	
Dettmer	Gottwalt	Mack	Seifert	Urdahl	

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

Sertich moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

CALL OF THE HOUSE

On the motion of Sertich and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

Sertich moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 885

A bill for an act relating to taxation; making policy, technical, administrative, and clarifying changes to income, corporate franchise, estate, sales, use, minerals, mortgage, property, gross receipts, gambling, cigarette, tobacco, liquor, insurance, and various taxes and tax-related provisions; modifying local government aid and tax data provision; appropriating money; amending Minnesota Statutes 2008, sections 126C.21, subdivision 4; 126C.48, subdivision 8; 270B.14, subdivision 16; 270C.02, subdivision 1; 270C.12, by adding a subdivision; 270C.446, subdivisions 2, 5; 270C.56, subdivision 1; 273.11, subdivision 23; 273.111, subdivision 4; 273.1115, subdivision 2; 273.113, subdivisions 1, 2; 273.1231, subdivision 8; 273.124, subdivision 21; 273.13, subdivisions 23, 25, 33; 273.33, subdivision 2; 273.37, subdivision 2; 274.13, subdivision 2; 274.135, subdivision 3; 274.14; 274.175; 275.70, subdivision 5; 275.71, subdivision 4; 287.04; 287.05, by adding a subdivision; 287.22; 287.25; 289A.08, subdivision 3; 289A.12, by adding a subdivision; 289A.18, subdivision 1; 289A.19, subdivision 4; 289A.38, subdivision 7; 289A.41; 290.0671, subdivision 1; 290A.10; 290A.14; 290C.06; 290C.07; 295.56; 295.57, subdivision 5; 296A.21, subdivision 1; 297A.70, subdivisions 2, 4; 297A.992, subdivision 2; 297A.993, subdivision 1; 297E.02, subdivision 4; 297E.06, by adding a subdivision; 297E.11, subdivision 1; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 298.28, subdivisions 4, 11; 423A.02, subdivisions 1b, 3, by adding a subdivision; 473.843, subdivision 3; 477A.011, subdivisions 34, 42; 477A.013, subdivision 8; repealing Minnesota Statutes 2008, sections 287.26; 287.27, subdivision 1; 297A.67, subdivision 24; 298.28, subdivisions 11a, 13; Minnesota Rules, parts 8115.0200; 8115.0300; 8115.0400; 8115.0500;

8115.0600; 8115.1000; 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600; 8115.1700;
 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200; 8115.2300; 8115.2400; 8115.2500; 8115.2600;
 8115.2700; 8115.2800; 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300; 8115.4400;
 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900; 8115.5000; 8115.5100; 8115.5200; 8115.5300;
 8115.5400; 8115.5500; 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100; 8115.6200;
 8115.6300; 8115.6400; 8115.9900.

May 7, 2009

The Honorable Margaret Anderson Kelliher
 Speaker of the House of Representatives

The Honorable James P. Metzen
 President of the Senate

We, the undersigned conferees for H. F. No. 885 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 885 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. **Schedules of rates for individuals, estates, and trusts.** (a) The income taxes imposed by this chapter upon married individuals filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code must be computed by applying to their taxable net income the following schedule of rates:

- (1) on the first ~~\$25,680~~ \$33,220, 5.35 percent;
- (2) on all over ~~\$25,680~~ \$33,220, but not over ~~\$102,030~~ \$131,970, 7.05 percent;
- (3) on all over ~~\$102,030~~ \$131,970, but not over \$250,000, 7.85 percent; and
- (4) on all over \$250,000, nine percent.

Married individuals filing separate returns, estates, and trusts must compute their income tax by applying the above rates to their taxable income, except that the income brackets will be one-half of the above amounts.

(b) The income taxes imposed by this chapter upon unmarried individuals must be computed by applying to taxable net income the following schedule of rates:

- (1) on the first ~~\$17,570~~ \$22,730, 5.35 percent;
- (2) on all over ~~\$17,570~~ \$22,730, but not over ~~\$57,710~~ \$74,650, 7.05 percent;
- (3) on all over ~~\$57,710~~ \$74,650, but not over \$141,250, 7.85 percent; and
- (4) on all over \$141,250, nine percent.

(c) The income taxes imposed by this chapter upon unmarried individuals qualifying as a head of household as defined in section 2(b) of the Internal Revenue Code must be computed by applying to taxable net income the following schedule of rates:

- (1) on the first ~~\$21,630~~ \$27,980, 5.35 percent;
- (2) on all over ~~\$21,630~~ \$27,980, but not over ~~\$86,910~~ \$112,420, 7.05 percent;
- (3) on all over ~~\$86,910~~ \$112,420, but not over ~~\$212,500~~, 7.85 percent; and
- (4) on all over \$212,500, nine percent.

(d) In lieu of a tax computed according to the rates set forth in this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than an amount determined by the commissioner must be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

(e) An individual who is not a Minnesota resident for the entire year must compute the individual's Minnesota income tax as provided in this subdivision. After the application of the nonrefundable credits provided in this chapter, the tax liability must then be multiplied by a fraction in which:

(1) the numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code and increased by the additions required under section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), (9), (12), and (13) and reduced by the Minnesota assignable portion of the subtraction for United States government interest under section 290.01, subdivision 19b, clause (1), and the subtractions under section 290.01, subdivision 19b, clauses (9), (10), (14), (15), and (16), after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

(2) the denominator is the individual's federal adjusted gross income as defined in section 62 of the Internal Revenue Code of 1986, increased by the amounts specified in section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), (9), (12), and (13) and reduced by the amounts specified in section 290.01, subdivision 19b, clauses (1), (9), (10), (14), (15), and (16).

(f) For taxable years beginning after December 31, 2013, the maximum tax rate under this subdivision is 7.85 percent, if the commissioner of finance estimates in the February 2013 economic forecast that the unrestricted general fund balance at the end of fiscal year 2013 equals or exceeds \$500,000,000.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.

Sec. 2. Minnesota Statutes 2008, section 290.06, subdivision 2d, is amended to read:

Subd. 2d. **Inflation adjustment of brackets.** (a) For taxable years beginning after December 31, ~~2000~~ 2009, the minimum and maximum dollar amounts for each rate bracket for which a tax is imposed in subdivision 2c shall be adjusted for inflation by the percentage determined under paragraph (b). For the purpose of making the adjustment as provided in this subdivision all of the rate brackets provided in subdivision 2c shall be the rate brackets as they existed for taxable years beginning after December 31, ~~1999~~ 2008, and before January 1, ~~2001~~ 2010. The rate applicable to any rate bracket must not be changed. The dollar amounts setting forth the tax shall be adjusted to reflect the changes in the rate brackets. The rate brackets as adjusted must be rounded to the nearest \$10 amount. If the rate bracket ends in \$5, it must be rounded up to the nearest \$10 amount.

(b) The commissioner shall adjust the rate brackets and by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that:

(1) in section 1(f)(2)(A) the words "increasing or decreasing" shall be substituted for the word "increasing";

(2) in section 1(f)(3)(A) the words "differs from" shall be substituted for the word "exceeds"; and

(3) in section 1(f)(3)(B) the word "~~1999~~" "2008" shall be substituted for the word "1992." For ~~2001~~ 2010, the commissioner shall then determine the percent change from the 12 months ending on August 31, ~~1999~~ 2008, to the 12 months ending on August 31, ~~2000~~ 2009, and in each subsequent year, from the 12 months ending on August 31, ~~1999~~ 2008, to the 12 months ending on August 31 of the year preceding the taxable year. The determination of the commissioner pursuant to this subdivision shall not be considered a "rule" and shall not be subject to the Administrative Procedure Act contained in chapter 14.

No later than December 15 of each year, the commissioner shall announce the specific percentage that will be used to adjust the tax rate brackets.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.

Sec. 3. [290.094] SURTAX ON CERTAIN INTEREST INCOME.

Subdivision 1. **Definitions.** (a) Unless the language or context clearly indicates that a different meaning is intended, for the purposes of this section, the following terms have the meanings given them.

(b) "Annual percentage rate" has the meaning given the term in Code of Federal Regulations, title 12, parts 226.14 and 226.22, related to open-end and closed-end credit.

(c) "Borrower" means a debtor under a loan or a purchaser of debt under a credit sale contract.

(d) "Cardholder" means a person to whom a credit card is issued or who has agreed with the financial institution to pay obligations arising from the issuance to or use of the card by another person.

(e) "Consumer loan" means a loan made by a financial institution in which:

(1) the debtor is a person other than an organization;

(2) the debt is incurred primarily for a personal, family, or household purpose; and

(3) the debt is payable in installments or a finance charge is made.

(f) "Credit" means the right granted by a financial institution to a borrower to defer payment of a debt, to incur debt and defer its payment, or to purchase property or services and defer payment.

(g) "Credit card" means a card or device issued under an arrangement under which a financial institution gives to a cardholder the privilege of obtaining credit from the financial institution or other person in purchasing or leasing property or services, obtaining loans, or otherwise. A transaction is "pursuant to a credit card" only if credit is obtained according to the terms of the arrangement by transmitting information contained on the card or device orally, in writing, by mechanical or electronic methods, or in any other manner. A transaction is not "pursuant to a credit card" if the card or device is used solely in that transaction to:

(1) identify the cardholder or evidence the cardholder's creditworthiness and credit is not obtained according to the terms of the arrangement;

(2) obtain a guarantee of payment from the cardholder's deposit account, whether or not the payment results in a credit extension to the cardholder by the financial institution; or

(3) effect an immediate transfer of funds from the cardholder's deposit account by electronic or other means, whether or not the transfer results in a credit extension to the cardholder by the financial institution.

(h) "Credit sale contract" means a contract evidencing a credit sale. "Credit sale" means a sale of goods or services, or an interest in land, in which:

(1) credit is granted by a seller who regularly engages as a seller in credit transactions of the same kind; and

(2) the debt is payable in installments or a finance charge is made.

(i) "Financial institution" means a state or federally chartered bank, a state or federally chartered bank and trust, a trust company with banking powers, a state or federally chartered savings association, an industrial loan and thrift company organized under chapter 53, a regulated lender organized under chapter 56, or an operating subsidiary of any such institution.

(j) "Loan" means:

(1) the creation of debt by the financial institution's payment of money to the borrower or a third person for the account of the borrower;

(2) the creation of debt pursuant to a credit card in any manner, including a cash advance or the financial institution's honoring a draft or similar order for the payment of money drawn or accepted by the borrower, paying or agreeing to pay the borrower's obligation, or purchasing or otherwise acquiring the borrower's obligation from the obligee or the borrower's assignee;

(3) the creation of debt by a cash advance to a borrower pursuant to an overdraft line of credit arrangement;

(4) the creation of debt by a credit to an account with the financial institution upon which the borrower is entitled to draw immediately;

(5) the forbearance of debt arising from a loan; and

(6) the creation of debt pursuant to open-end credit.

"Loan" does not include the forbearance of debt arising from a sale or lease, a credit sale contract, or an overdraft from a person's deposit account with a financial institution which is not pursuant to a written agreement to pay overdrafts with the right to defer repayment thereof.

(k) "Organization" means a corporation, government, government subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, limited liability partnership, or association.

(l) "Person" means a natural person or an organization.

(m) "Principal" means the total of:

(1) the amount paid to, received by, or paid or repayable for the account of, the borrower; and

(2) to the extent that payment is deferred:

(i) the amount actually paid or to be paid by the financial institution for additional charges permitted under this section; and

(ii) prepaid finance charges.

Subd. 2. **Scope.** (a) Any person or organization conducting a trade or business in this state who is subject to the truth in lending requirements under Code of Federal Regulations, title 12, part 226 (Federal Regulation Z), and who charges interest on the credit issued shall be subject to a surtax on each transaction as prescribed by this chapter. Transactions include any open-end and closed-end credit transactions subject to Federal Regulation Z such as loans, consumer loans, credit sale contracts, extensions of credit, and credit issued pursuant to a credit card. A transferee or assignee of a transaction subject to the surtax under this section is also subject to the tax under this section.

(b) The tax shall be determined for each transaction subject to the requirements of this section that occurs during the calendar year.

Subd. 3. **Surtax rate.** The surtax shall be imposed at the rate of 30 percent on any income attributable to interest collected from the portion of an annual percentage rate that exceeds 15 percent on transactions subject to Code of Federal Regulations, title 12, part 226 (Federal Regulation Z).

Subd. 4. **Collection and administration.** The tax imposed by this section shall be paid annually to the commissioner of revenue and is subject to the same collection, enforcement, and penalty provisions as other taxes imposed by this chapter.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.

Sec. 4. Minnesota Statutes 2008, section 295.75, subdivision 2, is amended to read:

Subd. 2. **Gross receipts tax imposed.** A tax is imposed on each liquor retailer equal to ~~2.5~~ five percent of gross receipts from retail sales in Minnesota of liquor.

EFFECTIVE DATE. This section is effective for gross receipts received after June 30, 2009.

Sec. 5. Minnesota Statutes 2008, section 297G.03, subdivision 1, is amended to read:

Subdivision 1. **General rate; distilled spirits and wine.** The following excise tax is imposed on all distilled spirits and wine manufactured, imported, sold, or possessed in this state:

	Standard	Metric
(a) Distilled spirits, liqueurs, cordials, and specialties regardless of alcohol content (excluding ethyl alcohol)	\$ 5.03 <u>7.59</u> per gallon	\$ 1.33 <u>2.01</u> per liter
(b) Wine containing 14 percent or less alcohol by volume (except cider as defined in section 297G.01, subdivision 3a)	\$.30 <u>.81</u> per gallon	\$.08 <u>.22</u> per liter
(c) Wine containing more than 14 percent but not more than 21 percent alcohol by volume	\$.95 <u>1.46</u> per gallon	\$.25 <u>.39</u> per liter
(d) Wine containing more than 21 percent but not more than 24 percent alcohol by volume	\$ 1.82 <u>2.33</u> per gallon	\$.48 <u>.62</u> per liter

(e) Wine containing more than 24 percent alcohol by volume	\$ 3.52 <u>4.03</u> per gallon	\$.93 <u>1.07</u> per liter
(f) Natural and artificial sparkling wines containing alcohol	\$ 1.82 <u>2.33</u> per gallon	\$.48 <u>.62</u> per liter
(g) Cider as defined in section 297G.01, subdivision 3a	\$.15 <u>.66</u> per gallon	\$.04 <u>.18</u> per liter
(h) Low alcohol dairy cocktails	\$.08 per gallon	\$.02 per liter

In computing the tax on a package of distilled spirits or wine, a proportional tax at a like rate on all fractional parts of a gallon or liter must be paid, except that the tax on a fractional part of a gallon less than 1/16 of a gallon is the same as for 1/16 of a gallon.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 6. Minnesota Statutes 2008, section 297G.04, is amended to read:

297G.04 FERMENTED MALT BEVERAGES; RATE OF TAX.

Subdivision 1. **Tax imposed.** The following excise tax is imposed on all fermented malt beverages that are imported, directly or indirectly sold, or possessed in this state:

(1) on fermented malt beverages containing not more than 3.2 percent alcohol by weight, ~~\$2.40~~ \$9.01 per 31-gallon barrel; and

(2) on fermented malt beverages containing more than 3.2 percent alcohol by weight, ~~\$4.60~~ \$11.21 per 31-gallon barrel.

For fractions of a 31-gallon barrel, the tax rate is calculated proportionally.

Subd. 2. **Tax credit.** A qualified brewer producing fermented malt beverages is entitled to a tax credit of ~~\$4.60~~ \$11.21 per barrel on 25,000 barrels sold in any fiscal year beginning July 1, regardless of the alcohol content of the product. Qualified brewers may take the credit on the 18th day of each month, but the total credit allowed may not exceed in any fiscal year the lesser of:

(1) the liability for tax; or

(2) ~~\$115,000~~ \$280,000.

For purposes of this subdivision, a "qualified brewer" means a brewer, whether or not located in this state, manufacturing less than 100,000 barrels of fermented malt beverages in the calendar year immediately preceding the calendar year for which the credit under this subdivision is claimed. In determining the number of barrels, all brands or labels of a brewer must be combined. All facilities for the manufacture of fermented malt beverages owned or controlled by the same person, corporation, or other entity must be treated as a single brewer.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 7. **GENERAL FUND ACCOUNTS; FISCAL YEARS 2010-2013.**

Subdivision 1. **E-12 education account.** An E-12 education account is created in the general fund. Amounts remain in the account until appropriated for E-12 education. Appropriations from the account may only be used for E-12 education.

Subd. 2. **Nursing home and long-term care account.** A nursing home and long-term care account is created in the general fund. Amounts remain in the account until appropriated for nursing homes or long-term care services. Appropriations from the account may only be used for nursing homes and long-term care services.

Subd. 3. **Hospital account.** A hospital account is created in the general fund. Amounts remain in the account until appropriated for hospitals. Appropriations from the account may only be used for hospitals.

Subd. 4. **Expiration.** This section expires June 30, 2013.

Sec. 8. **TRANSFERS.**

(a) In the fiscal year 2010-2011 biennium, \$986,000,000 is transferred to the accounts established in section 7 as follows:

- (1) \$585,784,000 to the E-12 education account;
- (2) \$287,566,000 to the nursing home and long-term care account; and
- (3) \$114,130,000 to the hospital account.

(b) In the fiscal year 2012-2013 biennium, \$1,000,000,000 is transferred to the accounts established in section 7 as follows:

- (1) \$465,259,000 to the E-12 education account;
- (2) \$361,643,000 to the nursing home and long-term care account; and
- (3) \$173,978,000 to the hospital account.

Sec. 9. **APPROPRIATIONS.**

Subdivision 1. **Tax compliance.** (a) \$1,194,300 the first year and \$2,350,200 the second year are appropriated from the general fund to the commissioner of revenue for additional activities to identify and collect tax liabilities from individuals and businesses that currently do not pay all taxes owed. This initiative is expected to result in new general fund revenues of \$7,948,700 for the biennium ending June 30, 2011.

(b) The department must report to the chairs of the house of representatives Ways and Means and senate Finance Committees by March 1, 2010, and January 15, 2011, on the following performance indicators:

- (1) the number of corporations noncompliant with the corporate tax system each year and the percentage and dollar amounts of valid tax liabilities collected;
- (2) the number of businesses noncompliant with the sales and use tax system and the percentage and dollar amount of the valid tax liabilities collected; and

(3) the number of individual noncompliant cases resolved and the percentage and dollar amounts of valid tax liabilities collected.

Subd. 2. **Debt collection management.** \$364,800 the first year and \$750,700 the second year are appropriated from the general fund to the commissioner of revenue for additional activities to identify and collect tax liabilities from individuals and businesses that currently do not pay all taxes owed. This initiative is expected to result in new general fund revenues of \$10,691,300 for the biennium ending June 30, 2011."

Delete the title and insert:

"A bill for an act relating to the financing of state and local government; making changes to income, liquor, gross receipts, and other tax-related provisions; providing a surtax on certain interest income; creating certain accounts in the general fund, including an E-12 education account, a nursing home and long-term care account, and a hospital account; creating tax compliance initiative; appropriating money; amending Minnesota Statutes 2008, sections 290.06, subdivisions 2c, 2d; 295.75, subdivision 2; 297G.03, subdivision 1; 297G.04; proposing coding for new law in Minnesota Statutes, chapter 290."

We request the adoption of this report and repassage of the bill.

House Conferees: ANN LENCZEWSKI, PAUL MARQUART, MINDY GREILING and ERIN MURPHY.

Senate Conferees: THOMAS BAKK, ROD SKOE, ANN H. REST, D. SCOTT DIBBLE and MEE MOUA.

CALL OF THE HOUSE LIFTED

Sertich moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Lenczewski moved that the report of the Conference Committee on H. F. No. 885 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Lenczewski motion and the roll was called. There were 86 yeas and 47 nays as follows:

Those who voted in the affirmative were:

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

Rosenthal	Scalze	Slocum	Thao	Ward
Rukavina	Sertich	Solberg	Thissen	Walti
Ruud	Simon	Sterner	Tillberry	Winkler
Sailer	Slawik	Swails	Wagenius	Spk. Kelliher

Those who voted in the negative were:

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

The motion prevailed.

McFarlane and Shimanski were excused for the remainder of today's session.

CALL OF THE HOUSE

On the motion of Seifert and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

All members answered to the call and it was so ordered.

H. F. No. 885, A bill for an act relating to taxation; making policy, technical, administrative, and clarifying changes to income, corporate franchise, estate, sales, use, minerals, mortgage, property, gross receipts, gambling, cigarette, tobacco, liquor, insurance, and various taxes and tax-related provisions; modifying local government aid and tax data provision; appropriating money; amending Minnesota Statutes 2008, sections 126C.21, subdivision 4; 126C.48, subdivision 8; 270B.14, subdivision 16; 270C.02, subdivision 1; 270C.12, by adding a subdivision; 270C.446, subdivisions 2, 5; 270C.56, subdivision 1; 273.11, subdivision 23; 273.111, subdivision 4; 273.1115, subdivision 2; 273.113, subdivisions 1, 2; 273.1231, subdivision 8; 273.124, subdivision 21; 273.13, subdivisions 23, 25, 33; 273.33, subdivision 2; 273.37, subdivision 2; 274.13, subdivision 2; 274.135, subdivision 3; 274.14; 274.175; 275.70, subdivision 5; 275.71, subdivision 4; 287.04; 287.05, by adding a subdivision; 287.22; 287.25; 289A.08, subdivision 3; 289A.12, by adding a subdivision; 289A.18, subdivision 1; 289A.19, subdivision 4; 289A.38, subdivision 7; 289A.41; 290.0671, subdivision 1; 290A.10; 290A.14; 290C.06; 290C.07; 295.56; 295.57, subdivision 5; 296A.21, subdivision 1; 297A.70, subdivisions 2, 4; 297A.992, subdivision 2; 297A.993, subdivision 1; 297E.02, subdivision 4; 297E.06, by adding a subdivision; 297E.11, subdivision 1; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 298.28, subdivisions 4, 11; 423A.02, subdivisions 1b, 3, by adding a subdivision; 473.843, subdivision 3; 477A.011, subdivisions 34, 42; 477A.013, subdivision 8; repealing Minnesota Statutes 2008, sections 287.26; 287.27, subdivision 1; 297A.67, subdivision 24; 298.28, subdivisions 11a, 13; Minnesota Rules, parts 8115.0200; 8115.0300; 8115.0400; 8115.0500; 8115.0600; 8115.1000; 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600; 8115.1700; 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200; 8115.2300; 8115.2400; 8115.2500; 8115.2600; 8115.2700; 8115.2800; 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300; 8115.4400; 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900; 8115.5000; 8115.5100; 8115.5200; 8115.5300; 8115.5400; 8115.5500; 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100; 8115.6200; 8115.6300; 8115.6400; 8115.9900.

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

The question was taken on the repassage of the bill and the roll was called. There were 86 yeas and 45 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abeler	Anderson, S.	Buesgens	Dean	Doepke	Eastlund
Anderson, B.	Beard	Cornish	Demmer	Downey	Emmer
Anderson, P.	Brod	Davids	Dettmer	Drazkowski	Garofalo

Gottwalt	Hoppe	Lanning	Nornes	Seifert	Westrom
Gunther	Howes	Loon	Pelowski	Severson	Zellers
Hackbarth	Kelly	Mack	Peppin	Smith	
Hamilton	Kiffmeyer	McNamara	Sanders	Torkelson	
Holberg	Kohls	Murdock	Scott	Urdahl	

The bill was repassed, as amended by Conference, and its title agreed to.

MOTION TO FIX THE TIME TO CONVENE

Sertich moved that when the House adjourns today it adjourn until 8:00 a.m. Saturday, May 9, 2009. The motion prevailed.

CALENDAR FOR THE DAY, Continued

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

Benson and Thissen were excused for the remainder of today's session.

CALL OF THE HOUSE LIFTED

Sertich moved that the call of the House be lifted. The motion prevailed and it was so ordered.

FISCAL CALENDAR

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 1231.

DECLARATION OF URGENCY

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Murphy, M., moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1231 be given its third reading and be placed upon its final passage. The motion prevailed.

SUSPENSION OF RULES

Murphy, M., moved that the Rules of the House be so far suspended that H. F. No. 1231 be given its third reading and be placed upon its final passage. The motion prevailed.

The Speaker called Hortman to the Chair.

H. F. No. 1231 was reported to the House.

Hansen and Gunther moved to amend H. F. No. 1231, the second engrossment, as follows:

Page 1, delete article 1 and insert:

"ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011.

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

Sec. 2. **OUTDOOR HERITAGE**

Subdivision 1. **Total Appropriation**

<u>\$69,512,000</u>	<u>\$-0-</u>
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This appropriation is from the outdoor heritage fund.

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

Subd. 2. **Prairies**

<u>14,213,000</u>	<u>-0-</u>
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(a) **Accelerated Prairie and Grassland Management**

\$1,700,000 in fiscal year 2010 is to the commissioner of natural resources to accelerate the restoration and enhancement of native prairie vegetation on public lands, including roadsides. A list of proposed projects, describing the types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan.

(b) **Green Corridor Legacy Program**

\$1,617,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Southwest Initiative Foundation to acquire land in Redwood County to be added to the state outdoor recreation system. A list of proposed fee title acquisitions must be provided as part of the required

accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition. No more than five percent of this appropriation may be spent on professional services directly related to this appropriation's purposes.

(c) Prairie Heritage Fund – Acquisition and Restoration

\$3,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire and restore land to be added to the state wildlife management area system. A list of proposed fee title acquisitions and a list of proposed restoration projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition.

(d) Accelerated Prairie Grassland Wildlife Management Area Acquisition

\$3,913,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land for wildlife management areas with native prairie or grassland habitats. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan.

(e) Northern Tall Grass Prairie National Wildlife Refuge Protection

\$1,583,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the United States Fish and Wildlife Service to acquire land or permanent easements within the Northern Tall Grass Prairie Habitat Preservation Area in western Minnesota. The commissioner may advance funds to the United States Fish and Wildlife Service. A list of proposed fee title and permanent easement acquisitions must be provided as part of the required accomplishment plan.

(f) Bluffland Prairie Protection Initiative

\$500,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Minnesota Land Trust to acquire permanent easements protecting critical prairie and grassland habitats in the blufflands in southeastern Minnesota. A list of proposed fee title and permanent easement acquisitions must be provided as part of the required accomplishment plan.

(g) Rum River – Cedar Creek Initiative

\$1,900,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Anoka County to acquire land at the confluence of the Rum River and Cedar Creek in Anoka

County. Acquired land must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. This is the first of two planned appropriations for this acquisition.

Subd. 3. Forests

20,000,000

-0-

\$20,000,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land or permanent working forest easements on private forests in areas identified through the state forest for the future program. Priority must be given to acquiring land or interests in private lands within existing Minnesota state forest boundaries. Any easements acquired must have a forest management plan as described in Minnesota Statutes, section 290C.02, subdivision 7. A list of proposed fee title and easement acquisitions must be provided as part of the required accomplishment plan. The appropriation is available for closings taking place after April 30, 2010. This is the first of two planned appropriations for this program.

Subd. 4. Wetlands

20,536,000

-0-

(a) Accelerated Wildlife Management Area Acquisition

\$2,900,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land for wildlife management areas. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerated Shallow Lake Restorations and Enhancements

\$2,528,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Ducks Unlimited, Inc. to restore and enhance shallow lake habitats. Up to \$400,000 of this appropriation may be used for permanent easements related to shallow lake restorations and enhancements. A list of proposed easements and projects, describing the types and locations of easements, restorations, and enhancements, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each easement, restoration, and enhancement.

(c) Accelerate the Waterfowl Production Area Program in Minnesota

\$5,600,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire and restore wetland and related upland habitats, in cooperation with the United States Fish and Wildlife Service and Ducks Unlimited, Inc., to be managed as waterfowl production areas. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan.

(d) Reinvest in Minnesota Wetlands Reserve Program Acquisition and Restoration

\$9,058,000 in fiscal year 2010 is to the Board of Water and Soil Resources to acquire permanent easements and restore wetlands and associated uplands in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan.

(e) Shallow Lake Critical Shoreland

\$450,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Ducks Unlimited, Inc. to protect habitat by acquiring land associated with shallow lakes. A list of proposed acquisitions must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition.

Subd. 5. Fish, Game, and Wildlife Habitat

13,903,000

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(a) Outdoor Heritage Conservation Partners Grant Program

\$4,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the National Fish and Wildlife Foundation to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations, including government, for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. The funds may be advanced in three equal sums, on or after November 1, 2009, February 1, 2010, and April 1, 2010. Grantees may protect land through acquisition of land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The commissioner of natural resources must agree to each proposed acquisition of land or interest in land. The program shall require a match of at least \$1 nonstate funds to \$10 state funds. Nonstate dollars match may be in-kind. The criteria for evaluating grant applications must include amount of habitat restored, enhanced, or protected; local support; degree of collaboration; urgency; multiple benefits; habitat benefits provided; consistency with sound conservation science; adjacency to protected lands; full funding of the project; supplementing existing funding; public access for hunting and fishing during the open season; sustainability; and use of native plant materials. All projects must conform to the Minnesota statewide conservation and preservation plan. Wildlife habitat projects must also conform to the state wildlife action plan. All restoration or enhancement projects must be on land permanently protected by conservation easement or public ownership. No more than four of the members

of the Lessard Outdoor Heritage Council may be selected to sit on any advising panel developed by the National Fish and Wildlife Foundation. The program must be open for application year-round and grants must be evaluated and granted at least every three months. Up to six percent of this appropriation is available for grant program management expenses, including indirect expenses related to this grant program, of the National Fish and Wildlife Foundation. The National Fish and Wildlife Foundation's administration and management must be consistent with Minnesota Statutes, sections 16B.97 and 16B.98, and policies adopted thereunder by the Department of Administration, Office of Grants Management. Subdivision 10 applies to grants awarded under this paragraph. This appropriation is available until June 30, 2013, at which time all grant projects must be completed and final products delivered, unless an earlier date is specified in the grant agreement. No less than 15 percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report in the form prescribed by and satisfactory to the Lessard Outdoor Heritage Council.

(b) Aquatic Management Area Acquisition

\$5,748,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land in fee title and easement to be added to the state aquatic management area system. Acquired land must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. A list of proposed fee title and easement acquisitions must be provided as part of the required accomplishment plan.

(c) Cold Water River and Stream Restoration, Protection, and Enhancement

\$2,050,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Trout Unlimited to restore, enhance, and protect cold water river and stream habitats in Minnesota. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition, restoration, and enhancement.

(d) Dakota County Habitat Protection

\$1,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Dakota County for acquisition of permanent easements. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(e) Lake Rebecca Water Quality Improvement Project

\$450,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Three Rivers Park District to improve the water quality in Lake Rebecca in Lake Rebecca Park Reserve in Hennepin County. A description of the activities to enhance fish habitat in Lake Rebecca must be provided as part of the required accomplishment plan.

(f) Fountain Lake Fish Barriers

\$655,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct fish barriers at three locations on Fountain Lake. Land acquisition necessary for fish barrier construction is permitted. A list of proposed projects, describing the types and locations of barriers, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed barrier.

Subd. 6. Administration and Other

860,000

-0-

(a) Contract Management

\$165,000 in fiscal year 2010 is to the commissioner of natural resources for contract management, in fiscal years 2010 and 2011, for duties assigned in this section.

(b) Legislative Coordinating Commission

\$695,000 in fiscal year 2010 is to the Legislative Coordinating Commission for administrative expenses of the Lessard Outdoor Heritage Council and for compensation and expense reimbursement of council members. Up to \$100,000 may be transferred to the game and fish fund as reimbursement for advances to the Lessard Outdoor Heritage Council made in fiscal year 2009.

(c) Lessard Outdoor Heritage Council Site Visit Exception

Travel to and from site visits by council members paid for under paragraph (b) are not meetings of the council for the purpose of receiving information under Minnesota Statutes, section 97A.056, subdivision 5.

Subd. 7. Availability of Appropriation

Unless otherwise provided, the amounts in this section are available until June 30, 2011, when projects must be completed and final accomplishments reported. For acquisition of an interest in real property, the amounts in this section are available until

June 30, 2012. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 8. Cash Advances

When the operations of the outdoor heritage fund would be impeded by projected cash deficiencies resulting from delays in the receipt of dedicated income, and when the deficiencies would be corrected within fiscal year 2010, the commissioner of finance may use fund-level cash reserves to meet cash demands of the outdoor heritage fund. If funds are transferred from the general fund to meet cash flow needs, the cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the outdoor heritage fund. Any interest earned on general fund cash flow transfers accrues to the general fund and not to the outdoor heritage fund.

Subd. 9. Accomplishment Plans

It is a condition of acceptance of the appropriations made by this section that the agency or entity using the appropriation shall submit to the council an accomplishment plan and periodic accomplishment reports in the form determined by the Lessard Outdoor Heritage Council. The accomplishment plan must account for the use of the appropriation and outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan must include evaluation of results. None of the money provided in this section may be expended unless the council has approved the pertinent accomplishment plan.

Subd. 10. Project Requirements

(a) As a condition of accepting an appropriation in this section, any agency or entity receiving an appropriation must, for any project funded in whole or in part with funds from the appropriation:

(1) plant vegetation or sow seed only of native ecotypes to Minnesota and preferably of the local ecotype using a high diversity of species grown as close to the restoration site as possible, if the planting of vegetation or sowing of seed is a component of the accomplishment plan;

(2) provide that all easements:

(i) are permanent;

(ii) specify the parties to an easement in the easement;

(iii) specify all of the provisions of an agreement that are permanent;

(iv) are sent to the office of the Lessard Outdoor Heritage Council; and

(v) include a long-term stewardship plan and funding for monitoring and enforcing the easement agreement;

(3) for all restorations, prepare an ecological restoration and management plan that, to the degree practicable, is consistent with the highest quality conservation and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success of the restoration projects. The plan shall include the proposed timetable for implementing the restoration, including, but not limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use the best available science to achieve the best restoration;

(4) for new lands acquired, prepare a restoration and management plan in compliance with clause (3), including identification of sufficient funding for implementation;

(5) to ensure public accountability for the use of public funds, provide to the Lessard Outdoor Heritage Council documentation of the selection process used to identify parcels acquired and provide documentation of all related transaction costs, including but not limited to appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient shall also report to the Lessard Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to Minnesota Statutes, chapter 13;

(6) provide that all restoration and enhancement projects are on land permanently protected by conservation easement or public ownership; and

(7) give consideration to contracting with the Minnesota Conservation Corps for contract restoration and enhancement services.

(b) The Lessard Outdoor Heritage Council may waive the application of paragraph (a), clause (5), for specific projects.

Subd. 11. Payment Conditions and Capital Equipment Expenditures

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Payments for reimbursement may not be made before November 1, 2009. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2009, are eligible for reimbursement unless otherwise provided in this section. Periodic payment must be made upon receiving documentation that the deliverable items articulated in the approved accomplishment plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs or to match federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures in excess of \$10,000 must be approved as part of the accomplishment plan.

Subd. 12. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121, regarding purchase of recycled, repairable, and durable materials, and 16B.122, regarding purchase and use of paper stock and printing.

Subd. 13. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 14. Land Acquisition Restrictions

(a) An interest in real property, including but not limited to an easement or fee title, that is acquired with money appropriated under this section must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.

(b) A recipient of funding who acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard Outdoor Heritage Council or its successor. The council shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest is in a reasonably equivalent location and has a reasonably equivalent useful conservation purpose compared to the interest being replaced.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard Outdoor Heritage Council or its successor. If the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work program, ownership of the interest in real property shall transfer to the state."

Subd. 15. Real Property Interest Report

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including but not limited to an easement or fee title, must submit annual reports on the status of the real property to the Lessard Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must:

(1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;

(2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 14; and

(3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred. Before the transfer, the entity receiving the transfer of property must certify to the Lessard Outdoor Heritage Council, or its successor, acceptance of all obligations and responsibilities held by the prior owner.

After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section."

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 Hansen and Gunther amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Emmer	Hosch	McNamara	Scott
Anderson, B.	Demmer	Faust	Juhnke	Morrow	Seifert
Anderson, P.	Dettmer	Garofalo	Kath	Murdock	Severson
Anderson, S.	Dill	Gottwalt	Kelly	Nornes	Smith
Beard	Dittrich	Gunther	Kiffmeyer	Olin	Swails
Brod	Doepke	Hackbarth	Koenen	Otremba	Torkelson
Buesgens	Doty	Hamilton	Kohls	Pelowski	Urdahl
Bunn	Downey	Hansen	Lanning	Peppin	Ward
Cornish	Drazkowski	Holberg	Loon	Poppe	Westrom
Davids	Eastlund	Hoppe	Mack	Sanders	Zellers

Those who voted in the negative were:

Anzelc	Fritz	Jackson	Mahoney	Paymar	Slocum
Atkins	Gardner	Johnson	Mariani	Persell	Solberg
Bigham	Greiling	Kahn	Marquart	Peterson	Sterner
Bly	Hausman	Kalin	Masin	Reinert	Thao
Brown	Haws	Knuth	Morgan	Rosenthal	Tillberry
Brynaert	Hayden	Laine	Mullery	Rukavina	Wagenius
Carlson	Hilstrom	Lenczewski	Murphy, E.	Ruud	Welti
Champion	Hilty	Lesch	Murphy, M.	Sailer	Winkler
Clark	Hornstein	Liebling	Nelson	Scalze	Spk. Kelliher
Davnie	Hortman	Lieder	Newton	Sertich	
Eken	Howes	Lillie	Norton	Simon	
Falk	Huntley	Loeffler	Obermueller	Slawik	

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

Doepke and Smith moved to amend H. F. No. 1231, the second engrossment, as follows:

Page 51, line 32, after the period, insert "The design, engineering, and construction of pedestrian bridges over County Road 15 in the city of Minnetonka Beach and Trunk Highway 7 and County Highway 92 in the city of St. Bonifacius to provide improved access and safety to the Dakota Rail Regional Trail running from Wayzata in Hennepin County to Hutchinson in McLeod County is a project that is eligible to receive funds under this paragraph."

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

Urdahl moved to amend H. F. No. 1231, the second engrossment, as follows:

Page 70, line 1, delete "jointly"

Page 70, line 2, delete "Department of Education and the Office of Higher Education" and insert "Indian Affairs Council"

Page 70, delete line 3 and insert "to preserve Dakota and Ojibwe Indian languages and to foster educational programs in Dakota and Ojibwe"

The motion prevailed and the amendment was adopted.

Zellers, Doepke, Downey, Torkelson, Peppin, Hackbarth, Loon, Kohls, Dean, Hoppe, Gunther, Brod and Mack moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Page 2, delete section 2 and insert:

"Sec. 2. **OUTDOOR HERITAGE**

Subdivision 1. <u>Total Appropriation</u>	<u>\$69,512,000</u>	<u>\$-0-</u>
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This appropriation is from the outdoor heritage fund.

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

Subd. 2. <u>Prairies</u>	<u>14,213,000</u>	<u>-0-</u>
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(a) **Accelerated Prairie and Grassland Management**

\$1,700,000 in fiscal year 2010 is to the commissioner of natural resources to accelerate the restoration and enhancement of native prairie vegetation on public lands, including roadsides. A list of proposed projects, describing the types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan.

(b) Green Corridor Legacy Program

\$1,617,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Southwest Initiative Foundation to acquire land in Redwood County to be added to the state outdoor recreation system. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition. No more than five percent of this appropriation may be spent on professional services directly related to this appropriation's purposes.

(c) Prairie Heritage Fund – Acquisition and Restoration

\$3,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire and restore land to be added to the state wildlife management area system. A list of proposed fee title acquisitions and a list of proposed restoration projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition.

(d) Accelerated Prairie Grassland Wildlife Management Area Acquisition

\$3,913,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land for wildlife management areas with native prairie or grassland habitats. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan.

(e) Northern Tall Grass Prairie National Wildlife Refuge Protection

\$1,583,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the United States Fish and Wildlife Service to acquire land or permanent easements within the Northern Tall Grass Prairie Habitat Preservation Area in western Minnesota. The commissioner may advance funds to the United States Fish and Wildlife Service. A list of proposed fee title and permanent easement acquisitions must be provided as part of the required accomplishment plan.

(f) Bluffland Prairie Protection Initiative

\$500,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Minnesota Land Trust to acquire permanent easements protecting critical prairie and grassland habitats in the blufflands in southeastern Minnesota. A list of proposed fee title and permanent easement acquisitions must be provided as part of the required accomplishment plan.

(g) Rum River – Cedar Creek Initiative

\$1,900,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Anoka County to acquire land at the confluence of the Rum River and Cedar Creek in Anoka County. Acquired land must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. This is the first of two planned appropriations for this acquisition.

Subd. 3. Forests20,000,000-0-

\$20,000,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land or permanent working forest easements on private forests in areas identified through the state forest for the future program. Priority must be given to acquiring land or interests in private lands within existing Minnesota state forest boundaries. Any easements acquired must have a forest management plan as described in Minnesota Statutes, section 290C.02, subdivision 7. A list of proposed fee title and easement acquisitions must be provided as part of the required accomplishment plan. The appropriation is available for closings taking place after April 30, 2010. This is the first of two planned appropriations for this program.

Subd. 4. Wetlands20,526,000-0-**(a) Accelerated Wildlife Management Area Acquisition**

\$2,900,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land for wildlife management areas. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerated Shallow Lake Restorations and Enhancements

\$2,518,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Ducks Unlimited, Inc. to restore and enhance shallow lake habitats. Up to \$400,000 of this appropriation may be used for permanent easements related to shallow lake restorations and enhancements. A list of proposed easements and projects, describing the types and locations of easements, restorations, and enhancements, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each easement, restoration, and enhancement.

(c) Accelerate the Waterfowl Production Area Program in Minnesota

\$5,600,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire and restore wetland and related upland habitats, in cooperation with the

United States Fish and Wildlife Service and Ducks Unlimited, Inc., to be managed as waterfowl production areas. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan.

(d) Reinvest in Minnesota Wetlands Reserve Program Acquisition and Restoration

\$9,058,000 in fiscal year 2010 is to the Board of Water and Soil Resources to acquire permanent easements and restore wetlands and associated uplands in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan.

(e) Shallow Lake Critical Shoreland

\$450,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Ducks Unlimited, Inc. to protect habitat by acquiring land associated with shallow lakes. A list of proposed acquisitions must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition.

Subd. 5. Fish, Game, and Wildlife Habitat

13,903,000

-0-

(a) Outdoor Heritage Conservation Partners Grant Program

\$4,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the National Fish and Wildlife Foundation to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations, including government, for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. The funds may be advanced in three equal sums, on or after November 1, 2009, February 1, 2010, and April 1, 2010. Grantees may protect land through acquisition of land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The commissioner of natural resources must agree to each proposed acquisition of land or interest in land. The program shall require a match of at least \$1 nonstate funds to \$10 state funds. Nonstate dollars match may be in-kind. The criteria for evaluating grant applications must include amount of habitat restored, enhanced, or protected; local support; degree of collaboration; urgency; multiple benefits; habitat benefits provided; consistency with sound conservation science; adjacency to protected lands; full funding of the project; supplementing existing funding; public access for hunting and fishing during the

open season; sustainability; and use of native plant materials. All projects must conform to the Minnesota statewide conservation and preservation plan. Wildlife habitat projects must also conform to the state wildlife action plan. All restoration or enhancement projects must be on land permanently protected by conservation easement or public ownership. No more than four of the members of the Lessard Outdoor Heritage Council may be selected to sit on any advising panel developed by the National Fish and Wildlife Foundation. The program must be open for application year-round and grants must be evaluated and granted at least every three months. Up to six percent of this appropriation is available for grant program management expenses, including indirect expenses related to this grant program, of the National Fish and Wildlife Foundation. The National Fish and Wildlife Foundation's administration and management must be consistent with Minnesota Statutes, sections 16B.97 and 16B.98, and policies adopted thereunder by the Department of Administration, Office of Grants Management. Subdivision 10 applies to grants awarded under this paragraph. This appropriation is available until June 30, 2013, at which time all grant projects must be completed and final products delivered, unless an earlier date is specified in the grant agreement. No less than 15 percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report in the form prescribed by and satisfactory to the Lessard Outdoor Heritage Council.

(b) Aquatic Management Area Acquisition

\$5,748,000 in fiscal year 2010 is to the commissioner of natural resources to acquire land in fee title and easement to be added to the state aquatic management area system. Acquired land must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. A list of proposed fee title and easement acquisitions must be provided as part of the required accomplishment plan.

(c) Cold Water River and Stream Restoration, Protection, and Enhancement

\$2,050,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Trout Unlimited to restore, enhance, and protect cold water river and stream habitats in Minnesota. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition, restoration, and enhancement.

(d) Dakota County Habitat Protection

\$1,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with Dakota County for acquisition of permanent easements. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(e) Lake Rebecca Water Quality Improvement Project

\$450,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Three Rivers Park District to improve the water quality in Lake Rebecca in Lake Rebecca Park Reserve in Hennepin County. A description of the activities to enhance fish habitat in Lake Rebecca must be provided as part of the required accomplishment plan.

(f) Fountain Lake Fish Barriers

\$655,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct fish barriers at three locations on Fountain Lake. Land acquisition necessary for fish barrier construction is permitted. A list of proposed projects, describing the types and locations of barriers, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed barrier.

Subd. 6. Administration and Other

870,000

-0-

(a) Contract Management

\$175,000 in fiscal year 2010 is to the commissioner of natural resources for contract management, in fiscal years 2010 and 2011, for duties assigned in this section.

(b) Legislative Coordinating Commission

\$695,000 in fiscal year 2010 is to the Legislative Coordinating Commission for administrative expenses of the Lessard Outdoor Heritage Council and for compensation and expense reimbursement of council members. Up to \$100,000 may be transferred to the game and fish fund as reimbursement for advances to the Lessard Outdoor Heritage Council made in fiscal year 2009.

(c) Lessard Outdoor Heritage Council Site Visit Exception

Travel to and from site visits by council members paid for under paragraph (b) are not meetings of the council for the purpose of receiving information under Minnesota Statutes, section 97A.056, subdivision 5.

Subd. 7. Availability of Appropriation

Unless otherwise provided, the amounts in this section are available until June 30, 2011, when projects must be completed and final accomplishments reported. For acquisition of an interest in real property, the amounts in this section are available until June 30, 2012. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 8. Cash Advances

When the operations of the outdoor heritage fund would be impeded by projected cash deficiencies resulting from delays in the receipt of dedicated income, and when the deficiencies would be corrected within fiscal year 2010, the commissioner of finance may use fund-level cash reserves to meet cash demands of the outdoor heritage fund. If funds are transferred from the general fund to meet cash flow needs, the cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the outdoor heritage fund. Any interest earned on general fund cash flow transfers accrues to the general fund and not to the outdoor heritage fund.

Subd. 9. Accomplishment Plans

It is a condition of acceptance of the appropriations made by this section that the agency or entity using the appropriation shall submit to the council an accomplishment plan and periodic accomplishment reports in the form determined by the Lessard Outdoor Heritage Council. The accomplishment plan must account for the use of the appropriation and outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan must include evaluation of results. None of the money provided in this section may be expended unless the council has approved the pertinent accomplishment plan.

Subd. 10. Project Requirements

(a) As a condition of accepting an appropriation in this section, any agency or entity receiving an appropriation must, for any project funded in whole or in part with funds from the appropriation:

(1) plant vegetation or sow seed only of native ecotypes to Minnesota and preferably of the local ecotype using a high diversity of species grown as close to the restoration site as possible, if the planting of vegetation or sowing of seed is a component of the accomplishment plan;

(2) provide that all easements:

(i) are permanent;

(ii) specify the parties to an easement in the easement;

(iii) specify all of the provisions of an agreement that are permanent;

(iv) are sent to the office of the Lessard Outdoor Heritage Council; and

(v) include a long-term stewardship plan and funding for monitoring and enforcing the easement agreement;

(3) for all restorations, prepare an ecological restoration and management plan that, to the degree practicable, is consistent with the highest quality conservation and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success of the restoration projects. The plan shall include the proposed timetable for implementing the restoration, including, but not limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use the best available science to achieve the best restoration;

(4) for new lands acquired, prepare a restoration and management plan in compliance with clause (3), including identification of sufficient funding for implementation;

(5) to ensure public accountability for the use of public funds, provide to the Lessard Outdoor Heritage Council documentation of the selection process used to identify parcels acquired and provide documentation of all related transaction costs, including but not limited to appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient shall also report to the Lessard Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to Minnesota Statutes, chapter 13;

(6) provide that all restoration and enhancement projects are on land permanently protected by conservation easement or public ownership; and

(7) give consideration to contracting with the Minnesota Conservation Corps for contract restoration and enhancement services.

(b) The Lessard Outdoor Heritage Council may waive the application of paragraph (a), clause (5), for specific projects.

Subd. 11. Payment Conditions and Capital Equipment Expenditures

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Payments for reimbursement may not be made before November 1, 2009. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2009, are eligible for reimbursement unless otherwise provided in this section. Periodic payment must be made upon receiving documentation that the deliverable items articulated in the approved accomplishment plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs or to match federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures in excess of \$10,000 must be approved as part of the accomplishment plan.

Subd. 12. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121, regarding purchase of recycled, repairable, and durable materials, and 16B.122, regarding purchase and use of paper stock and printing.

Subd. 13. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 14. Land Acquisition Restrictions

(a) An interest in real property, including but not limited to an easement or fee title, that is acquired with money appropriated under this section must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.

(b) A recipient of funding who acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard Outdoor Heritage Council or its successor. The council shall establish procedures to review requests from

recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest is in a reasonably equivalent location and has a reasonably equivalent useful conservation purpose compared to the interest being replaced.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard Outdoor Heritage Council or its successor. If the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work program, ownership of the interest in real property shall transfer to the state."

Subd. 15. Real Property Interest Report

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including but not limited to an easement or fee title, must submit annual reports on the status of the real property to the Lessard Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must:

(1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;

(2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 14; and

(3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred. Before the transfer, the entity receiving the transfer of property must certify to the Lessard Outdoor Heritage Council, or its successor, acceptance of all obligations and responsibilities held by the prior owner.

After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section."

Page 20, delete sections 3 and 4

Page 71, delete lines 20 and 21

Page 71, line 22, delete "(5)" and insert "(4)"

Page 71, line 24, delete "(6)" and insert "(5)"

Page 71, delete section 2

Page 71, delete section 4

Page 80, line 3, delete everything after the period

Page 80, delete lines 4 to 35

Page 81, delete lines 1 to 13

Page 81, line 14, delete "(g)" and insert "(a)"

Page 81, line 18, delete "(h)" and insert "(b)"

Page 81, line 27, delete "(i)" and insert "(c)"

Page 81, line 32, delete "(j)" and insert "(d)"

Page 81, line 34, delete "(k)" and insert "(e)"

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 Zellers et al amendment and the roll was called. There were 63 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Emmer	Juhnke	Murdock	Severson
Anderson, B.	Demmer	Faust	Kath	Nornes	Smith
Anderson, P.	Dettmer	Garofalo	Kelly	Olin	Swails
Anderson, S.	Dill	Gottwalt	Kiffmeyer	Otremba	Torkelson
Anzelc	Dittrich	Gunther	Koenen	Pelowski	Urdahl
Beard	Doepke	Hackbarth	Kohls	Peppin	Ward
Brod	Doty	Hamilton	Lanning	Poppe	Westrom
Buesgens	Downey	Holberg	Loon	Sailer	Zellers
Bunn	Drazkowski	Hoppe	Mack	Sanders	
Cornish	Eastlund	Hosch	Marquart	Scott	
Dauids	Eken	Howes	McNamara	Seifert	

Those who voted in the negative were:

Atkins	Greiling	Kahn	Masin	Peterson	Thao
Bigham	Hansen	Kalin	Morgan	Reinert	Tillberry
Bly	Hausman	Knuth	Morrow	Rosenthal	Wagenius
Brown	Haws	Laine	Mullery	Rukavina	Welti
Brynaert	Hayden	Lenczewski	Murphy, E.	Ruud	Winkler
Carlson	Hilstrom	Lesch	Murphy, M.	Scalze	Spk. Kelliher
Champion	Hilty	Liebling	Nelson	Sertich	
Clark	Hornstein	Lieder	Newton	Simon	
Davnie	Hortman	Lillie	Norton	Slawik	
Falk	Huntley	Loeffler	Obermueller	Slocum	
Fritz	Jackson	Mahoney	Paymar	Solberg	
Gardner	Johnson	Mariani	Persell	Sterner	

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

Brod moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Page 25, delete lines 33 to 35

Page 26, delete lines 1 to 18

Page 37, delete section 13

Renumber the sections in sequence and correct the internal references

Adjust amounts accordingly

Amend the title accordingly

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

Torkelson moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Page 34, line 13, delete "(a)"

Page 34, delete lines 26 to 29

Page 90, delete section 20

Adjust amounts accordingly

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Speaker pro tempore Hortman called Hausman to the Chair.

Drazkowski moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Page 98, after line 9, insert:

"Sec. 7. **NO NET GAIN IN STATE LAND.**

No land shall be acquired in fee with funds appropriated in this act until the commissioner of natural resources has certified that an equal amount of state land has been sold."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Hortman, Hilstrom, Nelson, Hansen, Dittrich and Abeler moved to amend H.F.No. 1231, the second engrossment, as amended, as follows:

Page 39, after line 24, insert:

"(c) The rules must not affect any existing residential nonconformity, including any lawful use of real property containing single-family residential housing existing at the time of enactment of this section, which may be continued although the use or occupation may not conform to standards adopted under this section. The nonconformity may be continued through repair, replacement, restoration, or maintenance of the single-family residence or underlying land."

The motion prevailed and the amendment was adopted.

Hackbarth moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Page 47, line 20, after "horseback" insert ", snowmobile, and all-terrain vehicle"

A roll call was requested and properly seconded.

The question was taken on the Hackbarth amendment and the roll was called. There were 70 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Gunther	Kelly	Peppin	Smith
Anderson, B.	Dittrich	Hackbarth	Kiffmeyer	Persell	Solberg
Anderson, P.	Doty	Hamilton	Koenen	Peterson	Swails
Anzelc	Drazkowski	Holberg	Kohls	Poppe	Thao
Beard	Eastlund	Hoppe	Lanning	Rukavina	Torkelson
Brod	Eken	Hortman	McNamara	Sailer	Urdahl
Buesgens	Emmer	Hosch	Morrow	Sanders	Ward
Bunn	Falk	Howes	Murdock	Scott	Welti
Cornish	Faust	Jackson	Nornes	Seifert	Westrom
Dean	Fritz	Juhnke	Olin	Sertich	Zellers
Demmer	Garofalo	Kalin	Otremba	Severson	
Dettmer	Gottwalt	Kath	Pelowski	Simon	

Those who voted in the negative were:

Anderson, S.	Davnie	Hilty	Lieder	Mullery	Ruud
Atkins	Doepke	Hornstein	Lillie	Murphy, E.	Scalze
Bigham	Downey	Huntley	Loeffler	Murphy, M.	Slawik
Bly	Gardner	Johnson	Loon	Nelson	Slocum
Brown	Greiling	Kahn	Mack	Newton	Sterner
Brynaert	Hansen	Knuth	Mahoney	Norton	Tillberry
Carlson	Hausman	Laine	Mariani	Obermueller	Wagenius
Champion	Haws	Lenczewski	Marquart	Paymar	Winkler
Clark	Hayden	Lesch	Masin	Reinert	Spk. Kelliher
Davids	Hilstrom	Liebling	Morgan	Rosenthal	

The motion prevailed and the amendment was adopted.

Emmer; Hackbarth; Cornish; Brod; Scott; Zellers; Howes; Anderson, B., and Hoppe offered an amendment to H. F. No. 1231, the second engrossment, as amended.

POINT OF ORDER

Hortman raised a point of order pursuant to rule 3.21 that the Emmer et al amendment was not in order. Speaker pro tempore Hausman ruled the point of order well taken and the Emmer et al amendment out of order.

Emmer appealed the decision of Speaker pro tempore Hausman.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Hausman stand as the judgment of the House?" and the roll was called. There were 71 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anzelc	Fritz	Johnson	Mahoney	Obermueller	Slawik
Atkins	Gardner	Juhnke	Mariani	Paymar	Slocum
Bigham	Greiling	Kahn	Marquart	Persell	Solberg
Bly	Hansen	Kath	Masin	Peterson	Sterner
Brynaert	Hausman	Knuth	Morgan	Reinert	Swails
Bunn	Haws	Laine	Morrow	Rosenthal	Thao
Carlson	Hayden	Lenczewski	Mullery	Rukavina	Tillberry
Champion	Hilstrom	Lesch	Murphy, E.	Ruud	Wagenius
Clark	Hilty	Liebling	Murphy, M.	Sailer	Ward
Davnie	Hornstein	Lieder	Nelson	Scalze	Winkler
Dill	Hortman	Lillie	Newton	Sertich	Spk. Kelliher
Falk	Huntley	Loeffler	Norton	Simon	

Those who voted in the negative were:

Abeler	Dean	Emmer	Howes	McNamara	Seifert
Anderson, B.	Demmer	Faust	Jackson	Murdock	Severson
Anderson, P.	Dettmer	Garofalo	Kalin	Nornes	Smith
Anderson, S.	Dittrich	Gottwalt	Kelly	Olin	Torkelson
Beard	Doepke	Gunther	Kiffmeyer	Otremba	Urdahl
Brod	Doty	Hackbarth	Koenen	Pelowski	Welti
Brown	Downey	Hamilton	Kohls	Peppin	Westrom
Buesgens	Drazkowski	Holberg	Lanning	Poppe	Zellers
Cornish	Eastlund	Hoppe	Loon	Sanders	
Dauids	Eken	Hosch	Mack	Scott	

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

Speaker pro tempore Hausman called Hortman to the chair.

Gunther, Peppin and Howes moved to amend H. F. No. 1231, the second engrossment, as amended, as follows:

Pages 8 to 9, delete paragraph (a) and insert:

"(a) Outdoor Heritage Conservation Partners Grant Program

\$4,000,000 in fiscal year 2010 is to the commissioner of natural resources for an agreement with the National Fish and Wildlife Foundation to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations, including government, for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. The funds may be advanced in three equal sums, on

or after November 1, 2009, February 1, 2010, and April 1, 2010. Grantees may protect land through acquisition of land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The commissioner of natural resources must agree to each proposed acquisition of land or interest in land. The program shall require a match of at least \$1 nonstate funds to \$10 state funds. Nonstate dollars match may be in-kind. The criteria for evaluating grant applications must include amount of habitat restored, enhanced, or protected; local support; degree of collaboration; urgency; multiple benefits; habitat benefits provided; consistency with sound conservation science; adjacency to protected lands; full funding of the project; supplementing existing funding; public access for hunting and fishing during the open season; sustainability; and use of native plant materials. All projects must conform to the Minnesota statewide conservation and preservation plan. Wildlife habitat projects must also conform to the state wildlife action plan. All restoration or enhancement projects must be on land permanently protected by conservation easement or public ownership. No more than four of the members of the Lessard Outdoor Heritage Council may be selected to sit on any advising panel developed by the National Fish and Wildlife Foundation. The program must be open for application year-round and grants must be evaluated and granted at least every three months. Up to six percent of this appropriation is available for grant program management expenses, including indirect expenses related to this grant program, of the National Fish and Wildlife Foundation. The National Fish and Wildlife Foundation's administration and management must be consistent with Minnesota Statutes, sections 16B.97 and 16B.98, and policies adopted thereunder by the Department of Administration, Office of Grants Management. Subdivision 10 applies to grants awarded under this paragraph. This appropriation is available until June 30, 2013, at which time all grant projects must be completed and final products delivered, unless an earlier date is specified in the grant agreement. No less than 15 percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report in the form prescribed by and satisfactory to the Lessard Outdoor Heritage Council."

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

H. F. No. 1231, A bill for an act relating to state government; appropriating money from constitutionally dedicated funds and providing for policy and governance of outdoor heritage, clean water, parks and trails, and arts and cultural heritage purposes; establishing and modifying grants and funding programs; providing for advisory groups; providing appointments; requiring reports; requiring rulemaking; amending Minnesota Statutes 2008, sections 3.303, by adding a subdivision; 3.971, by adding a subdivision; 17.117, subdivision 11a; 18G.11, by adding a subdivision; 84.02, by adding subdivisions; 85.53; 97A.056, subdivisions 2, 3, 6, 7, by adding subdivisions; 103F.515, subdivisions 2, 4; 114D.50; 116G.15; 116P.05, subdivision 2; 129D.17; 477A.12, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; 84; 84C; 85; 116; 129D; 138; 477A.

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 78 yeas and 51 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abeler	Demmer	Emmer	Juhnke	Murdock	Severson
Anderson, B.	Dettmer	Garofalo	Kelly	Nornes	Smith
Anderson, P.	Dill	Gottwalt	Kiffmeyer	Olin	Torkelson
Anderson, S.	Dittrich	Gunther	Koenen	Otremba	Urdahl
Beard	Doepke	Hackbarth	Kohls	Peppin	Westrom
Brod	Downey	Hamilton	Lanning	Rukavina	Zellers
Buesgens	Drazkowski	Holberg	Loon	Sanders	
Cornish	Eastlund	Hoppe	Mack	Scott	
Dean	Eken	Hosch	McNamara	Seifert	

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

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the house for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 885, A bill for an act relating to taxation; making policy, technical, administrative, and clarifying changes to income, corporate franchise, estate, sales, use, minerals, mortgage, property, gross receipts, gambling, cigarette, tobacco, liquor, insurance, and various taxes and tax-related provisions; modifying local government aid and tax data provision; appropriating money; amending Minnesota Statutes 2008, sections 126C.21, subdivision 4; 126C.48, subdivision 8; 270B.14, subdivision 16; 270C.02, subdivision 1; 270C.12, by adding a subdivision;

270C.446, subdivisions 2, 5; 270C.56, subdivision 1; 273.11, subdivision 23; 273.111, subdivision 4; 273.1115, subdivision 2; 273.113, subdivisions 1, 2; 273.1231, subdivision 8; 273.124, subdivision 21; 273.13, subdivisions 23, 25, 33; 273.33, subdivision 2; 273.37, subdivision 2; 274.13, subdivision 2; 274.135, subdivision 3; 274.14; 274.175; 275.70, subdivision 5; 275.71, subdivision 4; 287.04; 287.05, by adding a subdivision; 287.22; 287.25; 289A.08, subdivision 3; 289A.12, by adding a subdivision; 289A.18, subdivision 1; 289A.19, subdivision 4; 289A.38, subdivision 7; 289A.41; 290.0671, subdivision 1; 290A.10; 290A.14; 290C.06; 290C.07; 295.56; 295.57, subdivision 5; 296A.21, subdivision 1; 297A.70, subdivisions 2, 4; 297A.992, subdivision 2; 297A.993, subdivision 1; 297E.02, subdivision 4; 297E.06, by adding a subdivision; 297E.11, subdivision 1; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 298.28, subdivisions 4, 11; 423A.02, subdivisions 1b, 3, by adding a subdivision; 473.843, subdivision 3; 477A.011, subdivisions 34, 42; 477A.013, subdivision 8; repealing Minnesota Statutes 2008, sections 287.26; 287.27, subdivision 1; 297A.67, subdivision 24; 298.28, subdivisions 11a, 13; Minnesota Rules, parts 8115.0200; 8115.0300; 8115.0400; 8115.0500; 8115.0600; 8115.1000; 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600; 8115.1700; 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200; 8115.2300; 8115.2400; 8115.2500; 8115.2600; 8115.2700; 8115.2800; 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300; 8115.4400; 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900; 8115.5000; 8115.5100; 8115.5200; 8115.5300; 8115.5400; 8115.5500; 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100; 8115.6200; 8115.6300; 8115.6400; 8115.9900.

The Senate has appointed as such committee:

Senators Bakk, Skoe, Rest, Dibble and Moua.

Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

H. F. No. 2088, A bill for an act relating to early childhood education and child care; making changes to early childhood education; youth prevention; self-sufficiency and lifelong learning; child care assistance; appropriating money; amending Minnesota Statutes 2008, sections 119A.52; 119B.09, subdivision 7; 119B.13, subdivisions 1, 3a, 6; 119B.21, subdivisions 5, 10; 119B.231, subdivisions 2, 3, 4; 124D.13, subdivision 13; 124D.135, subdivision 3; 124D.15, subdivisions 1, 3; 124D.19, subdivisions 10, 14; 124D.522; proposing coding for new law in Minnesota Statutes, chapters 4; 124D.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rukavina moved that the House concur in the Senate amendments to H. F. No. 2088 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2088, A bill for an act relating to state government; amending certain employment and economic development provisions; establishing and modifying certain projects, grants, and programs; making technical changes; regulating certain activities and practices; defining terms; providing penalties; establishing working

groups; regulating unemployment insurance; regulating labor standards and wages; providing for licensing and fees; amending Iron Range resources provisions; regulating certain facilities; regulating certain boards and committees; modifying certain Housing Finance Authority provisions; modifying Heritage Finance provisions; requiring certain reports; appropriating money; amending Minnesota Statutes 2008, sections 15.75, subdivision 5; 16B.54, subdivision 2; 16C.28, by adding a subdivision; 41A.02, subdivision 17; 41A.036, subdivisions 4, 5; 84.94, subdivision 3; 85.0146, subdivision 1; 89A.08, subdivision 1; 115C.08, subdivision 4; 116J.035, subdivisions 1, 6; 116J.401, subdivision 2; 116J.424; 116J.431, subdivisions 1, 2, 4, 6, by adding a subdivision; 116J.435, subdivision 3; 116J.554, subdivision 1; 116J.555, subdivision 1; 116J.68, subdivision 2; 116J.8731, subdivisions 2, 3; 116L.03, subdivision 5; 116L.05, subdivision 5; 116L.20, subdivision 1; 116L.362, subdivision 1; 116L.364, subdivision 3; 116L.871, subdivision 1; 116L.96; 116O.115, subdivisions 2, 4; 123A.08, subdivision 1; 124D.49, subdivision 3; 129D.13, subdivisions 1, 2, 3; 129D.14, subdivisions 4, 5, 6; 129D.155; 154.001; 154.003; 154.19; 154.44, subdivision 1; 154.51; 160.276, subdivision 8; 177.27, subdivision 4; 177.30; 177.31; 177.32; 177.42, subdivision 6, by adding a subdivision; 177.43, subdivision 3; 178.02, subdivision 2; 181.723, by adding a subdivision; 182.656, subdivision 3; 214.01, subdivision 3; 214.04, subdivision 3; 216B.1612, subdivision 2; 241.27, subdivision 1; 248.061, subdivision 3; 248.07, subdivisions 7, 8; 256J.626, subdivision 4; 256J.66, subdivision 1; 268.031; 268.035, subdivisions 2, 17, by adding subdivisions; 268.042, subdivision 3; 268.043; 268.044, subdivision 2; 268.047, subdivisions 1, 2; 268.051, subdivisions 1, 4; 268.052, subdivision 2; 268.053, subdivision 1; 268.057, subdivisions 4, 5; 268.0625, subdivision 1; 268.066; 268.067; 268.069, subdivisions 1, 2; 268.07, subdivisions 1, 2, 3, 3b; 268.084; 268.085, subdivisions 1, 2, 3, 3a, 4, 5, 6, 15; 268.095, subdivisions 1, 2, 10, 11; 268.101, subdivisions 1, 2; 268.103, subdivision 1, by adding a subdivision; 268.105, subdivisions 1, 2, 3a, 4, 5; 268.115, subdivision 5; 268.125, subdivision 5; 268.135, subdivision 4; 268.145, subdivision 1; 268.18, subdivisions 1, 2, 4a; 268.186; 268.196, subdivisions 1, 2; 268.199; 268.211; 268A.06, subdivision 1; 270.97; 298.22, subdivisions 2, 5a, 6, 7, 8, 10, 11; 298.221; 298.2211, subdivision 3; 298.2213, subdivisions 4, 5; 298.2214, subdivision 1, by adding a subdivision; 298.223; 298.227; 298.28, subdivision 9d; 298.292, subdivision 2; 298.294; 298.296, subdivision 2; 298.2961; 298.297; 326B.33, subdivisions 13, 19; 326B.46, subdivision 4; 326B.475, subdivisions 4, 7; 326B.49, subdivision 1; 326B.56, subdivision 4; 326B.58; 326B.815, subdivision 1; 326B.821, subdivision 2; 326B.86, subdivision 1; 326B.885, subdivision 2; 326B.89, subdivisions 3, 16; 326B.94, subdivision 4; 326B.972; 326B.986, subdivisions 2, 5, 8; 327B.04, subdivisions 7, 8, by adding a subdivision; 327C.03, by adding a subdivision; 327C.095, subdivisions 12, 13; 462A.05, subdivisions 14, 14a; 469.169, subdivision 3; 469.201, subdivisions 2, 4, 6, 7, 10, 11, 12; 469.202; 469.203, subdivisions 1, 2, 4; 469.204, subdivision 1, by adding a subdivision; 469.205; 469.207, subdivision 2; 580.07; proposing coding for new law in Minnesota Statutes, chapters 1; 116J; 137; 155A; 181; 268; 298; 326B; repealing Minnesota Statutes 2008, sections 116J.402; 116J.413; 116J.431, subdivision 5; 116J.58, subdivision 1; 116J.59; 116J.61; 116J.656; 116L.16; 116L.88; 116U.65; 129D.13, subdivision 4; 268.085, subdivision 14; 268.086, subdivisions 1, 2, 3, 5, 6, 7, 8, 9; 469.203, subdivision 3; 469.204, subdivisions 2, 3; Minnesota Rules, part 1350.8300.

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 86 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Abeler	Champion	Fritz	Hilty	Kahn	Lieder
Anzelc	Clark	Gardner	Hornstein	Kalin	Lillie
Atkins	Davnie	Greiling	Hortman	Knuth	Loeffler
Bigham	Dill	Gunther	Hosch	Koenen	Mariani
Bly	Dittrich	Hansen	Howes	Laine	Marquart
Brown	Doty	Hausman	Huntley	Lanning	Masin
Brynaert	Eken	Haws	Jackson	Lenczewski	Morgan
Bunn	Falk	Hayden	Johnson	Lesch	Morrow
Carlson	Faust	Hilstrom	Juhnke	Liebling	Mullery

Murphy, E.	Olin	Reinert	Sertich	Swails	Winkler
Murphy, M.	Otremba	Rosenthal	Simon	Thao	Spk. Kelliher
Nelson	Paymar	Rukavina	Slawik	Tillberry	
Newton	Persell	Ruud	Slocum	Urdahl	
Norton	Peterson	Sailer	Solberg	Wagenius	
Obermueller	Poppe	Scalze	Sterner	Ward	

Those who voted in the negative were:

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

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

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 885, A bill for an act relating to taxation; making policy, technical, administrative, and clarifying changes to income, corporate franchise, estate, sales, use, minerals, mortgage, property, gross receipts, gambling, cigarette, tobacco, liquor, insurance, and various taxes and tax-related provisions; modifying local government aid and tax data provision; appropriating money; amending Minnesota Statutes 2008, sections 126C.21, subdivision 4; 126C.48, subdivision 8; 270B.14, subdivision 16; 270C.02, subdivision 1; 270C.12, by adding a subdivision; 270C.446, subdivisions 2, 5; 270C.56, subdivision 1; 273.11, subdivision 23; 273.111, subdivision 4; 273.1115, subdivision 2; 273.113, subdivisions 1, 2; 273.1231, subdivision 8; 273.124, subdivision 21; 273.13, subdivisions 23, 25, 33; 273.33, subdivision 2; 273.37, subdivision 2; 274.13, subdivision 2; 274.135, subdivision 3; 274.14; 274.175; 275.70, subdivision 5; 275.71, subdivision 4; 287.04; 287.05, by adding a subdivision; 287.22; 287.25; 289A.08, subdivision 3; 289A.12, by adding a subdivision; 289A.18, subdivision 1; 289A.19, subdivision 4; 289A.38, subdivision 7; 289A.41; 290.0671, subdivision 1; 290A.10; 290A.14; 290C.06; 290C.07; 295.56; 295.57, subdivision 5; 296A.21, subdivision 1; 297A.70, subdivisions 2, 4; 297A.992, subdivision 2; 297A.993, subdivision 1; 297E.02, subdivision 4; 297E.06, by adding a subdivision; 297E.11, subdivision 1; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 298.28, subdivisions 4, 11; 423A.02, subdivisions 1b, 3, by adding a subdivision; 473.843, subdivision 3; 477A.011, subdivisions 34, 42; 477A.013, subdivision 8; repealing Minnesota Statutes 2008, sections 287.26; 287.27, subdivision 1; 297A.67, subdivision 24; 298.28, subdivisions 11a, 13; Minnesota Rules, parts 8115.0200; 8115.0300; 8115.0400; 8115.0500; 8115.0600; 8115.1000; 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600; 8115.1700; 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200; 8115.2300; 8115.2400; 8115.2500; 8115.2600; 8115.2700; 8115.2800; 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300; 8115.4400; 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900; 8115.5000; 8115.5100; 8115.5200; 8115.5300; 8115.5400; 8115.5500; 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100; 8115.6200; 8115.6300; 8115.6400; 8115.9900.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

MOTIONS AND RESOLUTIONS

Hortman moved that the name of Hayden be added as an author on H. F. No. 267. The motion prevailed.

Kalin moved that the name of Bigham be added as an author on H. F. No. 680. The motion prevailed.

Lillie moved that the name of Obermueller be added as an author on H. F. No. 978. The motion prevailed.

Murphy, M., moved that the name of Sterner be added as an author on H. F. No. 1231. The motion prevailed.

Urdahl moved that the name of Loeffler be added as an author on H. F. No. 1825. The motion prevailed.

Slawik moved that her name be stricken and the name of Rukavina be added as chief author on H. F. No. 2088. The motion prevailed.

Garofalo moved that the names of Brown and Hosch be added as authors on H. F. No. 2370. The motion prevailed.

Brod moved that the names of Beard and Zellers be added as authors on H. F. No. 2373. The motion prevailed.

Emmer moved that the names of Zellers, Hackbarth and Drazkowski be added as authors on H. F. No. 2376. The motion prevailed.

Hayden moved that H. F. No. 2346 be returned to its author. The motion prevailed.

MOTION FOR RECONSIDERATION

Sertich moved that the vote whereby his motion to fix the time to convene prevailed earlier today be now reconsidered. The motion prevailed.

There being no objection, Sertich withdrew his earlier motion to fix the time to convene.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 11:00 a.m., Monday, May 11, 2009. The motion prevailed.

Sertich moved that the House do now adjourn. The motion prevailed, and Speaker pro tempore Hortman declared the House stands adjourned until 11:00 a.m., Monday, May 11, 2009.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives