

## STATE OF MINNESOTA

## EIGHTY-SIXTH SESSION — 2010

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 ONE HUNDRED FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 13, 2010

The House of Representatives convened at 11:00 a.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Grady St. Dennis, Director of Church Relations, Gustavus Adolphus College, St. Peter, 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
Anzelc	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	Welti
Cornish	Hackbarth	Kiffmeyer	Mullery	Sanders	Westrom
Davnie	Hamilton	Knuth	Murdock	Scalze	Winkler
Dean	Hansen	Koenen	Murphy, E.	Scott	Zellers
Demmer	Hausman	Kohls	Murphy, M.	Seifert	Spk. Kelliher

A quorum was present.

Davids and Magnus were excused.

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

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Morrow, Gardner, Slocum, Loeffler, Masin, Bunn, Laine and Fritz introduced:

H. F. No. 3841, A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for gender equality under the law.

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

Hayden, Clark and Norton introduced:

H. F. No. 3842, A bill for an act relating to families; creating a Council on East African Minnesotans; creating an ombudsperson for East African Minnesotans; amending Minnesota Statutes 2008, sections 257.0755, subdivision 1; 257.076, subdivision 3; 257.0768, subdivision 1; 257.0769, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Hayden, Clark and Norton introduced:

H. F. No. 3843, A bill for an act relating to health; creating medical homes for children with autism spectrum disorders.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Sterner and Lanning introduced:

H. F. No. 3844, A bill for an act relating to local government; authorizing counties to designate business days for public business subject to certain limitations; amending Minnesota Statutes 2008, section 373.052, subdivisions 1, 2, by adding a subdivision.

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

Simon introduced:

H. F. No. 3845, A bill for an act relating to consumer protection; specifying procedures for contract renewals for telecommunications services for business customers; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Morgan; Hoppe; Loon; Ruud; Masin; Kohls; Benson; Anderson, S.; Obermueller; Zellers; Beard; Mack; Hansen; Peppin and Sterner introduced:

H. F. No. 3846, A bill for an act relating to metropolitan transit; changing the formula for assistance by the Metropolitan Council to cities and towns with replacement transit service; amending Minnesota Statutes 2008, section 473.388, subdivision 4.

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

Hornstein, Clark and Hayden introduced:

H. F. No. 3847, A bill for an act relating to human services; establishing a proposal to provide grants to organizations providing care coordination services to medical assistance recipients with HIV or who are at risk of contracting HIV; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Atkins, Johnson, Sailer, Lillie and Hoppe introduced:

H. F. No. 3848, A bill for an act relating to wireless telecommunications; requiring wireless telecommunications service providers to alert customers whose usage approaches or exceeds their contract limit; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Gardner introduced:

H. F. No. 3849, A bill for an act relating to municipal water services; establishing powers, requirements, and procedures for residential water service by municipal utilities; amending Minnesota Statutes 2008, sections 116A.22; 435.193; 444.075, subdivision 3e; 456.33; 504B.215, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 444A.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

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.

There being no objection, the order of business reverted to Reports of Standing Committees and Divisions.

**REPORTS OF STANDING COMMITTEES AND DIVISIONS**

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

S. F. No. 2629, A bill for an act relating to elections; appropriating money for grants to counties for voting equipment and vote-counting equipment; specifying grant terms and procedures; repealing Laws 2005, chapter 162, section 34, subdivision 2, as amended.

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

The report was adopted.

**SECOND READING OF SENATE BILLS**

S. F. No. 2629 was read for the second time.

The following Conference Committee Report was received:

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 3106**

A bill for an act relating to public safety; amending first-degree driving while impaired crime to include prior felony convictions from other states; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.24, subdivision 1; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

May 12, 2010

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

The Honorable James P. Metzen  
President of the Senate

We, the undersigned conferees for H. F. No. 3106 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3106 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 169A.03, is amended by adding a subdivision to read:

Subd. 24a. **Twice the legal limit.** "Twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 2. Minnesota Statutes 2009 Supplement, section 169A.275, subdivision 7, is amended to read:

Subd. 7. **Exception.** ~~(a)~~ A judge is not required to sentence a person as provided in ~~this section~~ subdivisions 1 to 4 if the judge requires the person as a condition of probation to drive only motor vehicles equipped with an ignition interlock device meeting the standards described in section 171.306.

~~(b) This subdivision expires July 1, 2011.~~

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 3. Minnesota Statutes 2008, section 169A.52, subdivision 3, is amended to read:

Subd. 3. **Test refusal; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege, ~~for a period of one year~~ even if a test was obtained pursuant to this section after the person refused to submit to testing. The commissioner shall revoke the license, permit, or nonresident operating privilege:

(1) for a person with no qualified prior impaired driving incidents within the past ten years, for a period of not less than one year;

(2) for a person under the age of 21 years and with no qualified prior impaired driving incidents within the past ten years, for a period of not less than one year;

(3) for a person with one qualified prior impaired driving incident within the past ten years, or two qualified prior impaired driving incidents, for a period of not less than two years;

(4) for a person with two qualified prior impaired driving incidents within the past ten years, or three qualified prior impaired driving incidents, for a period of not less than three years;

(5) for a person with three qualified prior impaired driving incidents within the past ten years, for a period of not less than four years; or

(6) for a person with four or more qualified prior impaired driving incidents, for a period of not less than six years.

(b) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall disqualify the person from operating a commercial motor vehicle and shall revoke the person's license or permit to drive or nonresident operating privilege according to the federal regulations adopted by reference in section 171.165, subdivision 2.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 4. Minnesota Statutes 2008, section 169A.52, subdivision 4, is amended to read:

Subd. 4. **Test failure; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired) and that the person submitted to a test and the test results indicate an alcohol concentration of 0.08 or more or the presence of a controlled substance listed in schedule I or II or its metabolite, other than marijuana or tetrahydrocannabinols, then the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege:

(1) for a period of 90 days, or, if the test results indicate an alcohol concentration of twice the legal limit or more, not less than one year;

(2) if the person is under the age of 21 years, for a period of ~~six months~~ not less than 180 days or, if the test results indicate an alcohol concentration of twice the legal limit or more, not less than one year;

(3) for a person with ~~a one~~ one qualified prior impaired driving incident within the past ten years, or two qualified prior impaired driving incidents, for a period of ~~180 days~~ not less than one year, or if the test results indicate an alcohol concentration of twice the legal limit or more, not less than two years; ~~or~~

(4) ~~if the test results indicate an alcohol concentration of 0.20 or more, for twice the applicable period in clauses (1) to (3).~~ for a person with two qualified prior impaired driving incidents within the past ten years, or three qualified prior impaired driving incidents, for a period of not less than three years;

(5) for a person with three qualified prior impaired driving incidents within the past ten years, for a period of not less than four years; or

(6) for a person with four or more qualified prior impaired driving incidents, for a period of not less than six years.

(b) On certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with any presence of alcohol and that the person submitted to a test and the test results indicated an alcohol concentration of 0.04 or more, the commissioner shall disqualify the person from operating a commercial motor vehicle under section 171.165 (commercial driver's license disqualification).

(c) If the test is of a person's blood or urine by a laboratory operated by the Bureau of Criminal Apprehension, or authorized by the bureau to conduct the analysis of a blood or urine sample, the laboratory may directly certify to the commissioner the test results, and the peace officer shall certify to the commissioner that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 and that the person submitted to a test. Upon receipt of both certifications, the commissioner shall undertake the license actions described in paragraphs (a) and (b).

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 5. Minnesota Statutes 2009 Supplement, section 169A.54, subdivision 1, is amended to read:

Subdivision 1. **Revocation periods for DWI convictions.** Except as provided in subdivision 7, the commissioner shall revoke the driver's license of a person convicted of violating section 169A.20 (driving while impaired) or an ordinance in conformity with it, as follows:

(1) for an offense under section 169A.20, subdivision 1 (driving while impaired crime): ~~2~~ not less than 30 days;

(2) for an offense under section 169A.20, subdivision 2 (refusal to submit to chemical test crime); ~~not less than 90 days;~~

(3) for an offense occurring within ten years of a qualified prior impaired driving incident; ~~or occurring after two qualified prior impaired driving incidents,~~

(i) ~~if the current conviction is for a violation of section 169A.20, subdivision 1, 1a, 1b, or 1c, not less than 180 days one year, or if the test results indicate an alcohol concentration of twice the legal limit or more, not less than two years and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169A.70 (chemical use assessments); or~~

(ii) ~~if the current conviction is for a violation of section 169A.20, subdivision 2, not less than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169A.70;~~

(4) for an offense occurring within ten years of the first of two qualified prior impaired driving incidents; ~~or occurring after three qualified prior impaired driving incidents,~~ not less than ~~one year~~ three years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established ~~in accordance with~~ according to standards established by the commissioner; ~~or~~

(5) for an offense occurring within ten years of the first of three ~~or more~~ qualified prior impaired driving incidents; ~~not less than two~~ four years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established ~~in accordance with~~ according to standards established by the commissioner; ~~or~~

(6) for an offense occurring after four or more qualified prior impaired driving incidents, not less than six years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 6. Minnesota Statutes 2008, section 169A.54, subdivision 2, is amended to read:

Subd. 2. **Driving while impaired by person under age 21.** If the person convicted of violating section 169A.20 (driving while impaired) is under the age of 21 years at the time of the violation, the commissioner shall revoke the offender's driver's license or operating privileges for a period of ~~six months~~ not less than 180 days or for the appropriate period of time under subdivision 1, clauses (1) to ~~(5)~~ (6), for the offense committed, whichever is the ~~greatest~~ longer period.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 7. Minnesota Statutes 2008, section 169A.54, subdivision 5, is amended to read:

Subd. 5. **Violations involving alcohol concentration of ~~0.20~~ twice the legal limit or more.** If the person ~~has no qualified prior impaired driving incidents within the past ten years and~~ is convicted of violating section 169A.20 (driving while impaired) while having an alcohol concentration of ~~0.20~~ twice the legal limit or more as measured at the time, or within two hours of the time, of the offense, the commissioner shall revoke the person's driver's license for ~~twice the period of time otherwise provided for in this section~~ not less than one year.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 8. Minnesota Statutes 2008, section 169A.55, is amended by adding a subdivision to read:

**Subd. 4. Reinstatement of driving privileges; multiple incidents.** (a) A person whose driver's license has been canceled or denied as a result of three or more qualified impaired driving incidents shall not be eligible for reinstatement of driving privileges without an ignition interlock restriction until the person:

(1) has completed rehabilitation according to rules adopted by the commissioner or been granted a variance from the rules by the commissioner; and

(2) has submitted verification of abstinence from alcohol and controlled substances, as evidenced by the person's use of an ignition interlock device or other chemical monitoring device approved by the commissioner.

(b) The verification of abstinence must show that the person has abstained from the use of alcohol and controlled substances for a period of not less than:

(1) three years, for a person whose driver's license was canceled or denied for an offense occurring within ten years of the first of two qualified prior impaired driving incidents, or occurring after three qualified prior impaired driving incidents;

(2) four years, for a person whose driver's license was canceled or denied for an offense occurring within ten years of the first of three qualified prior impaired driving incidents; or

(3) six years, for a person whose driver's license was canceled or denied for an offense occurring after four or more qualified prior impaired driving incidents.

(c) The commissioner shall establish performance standards and a process for certifying chemical monitoring devices. The standards and procedures are not rules and are exempt from chapter 14, including section 14.386.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 9. Minnesota Statutes 2008, section 169A.60, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given in this subdivision.

(b) "Family or household member" has the meaning given in section 169A.63, subdivision 1.

(c) "Motor vehicle" means a self-propelled motor vehicle other than a motorboat in operation or an off-road recreational vehicle.

(d) "Plate impoundment violation" includes:

(1) a violation of section 169A.20 (driving while impaired) or 169A.52 (license revocation for test failure or refusal), or ~~a conforming an~~ ordinance from this state or a ~~conforming~~ statute or ordinance from another state in conformity with either of those sections, that results in the revocation of a person's driver's license or driving privileges, within ten years of a qualified prior impaired driving incident;

(2) a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52 within ten years of a qualified prior impaired driving incident;

(3) a violation of section 169A.20 or 169A.52 while having an alcohol concentration of ~~0.20~~ twice the legal limit or more as measured at the time, or within two hours of the time, of the offense;

(4) a violation of section 169A.20 or 169A.52 while having a child under the age of 16 in the vehicle if the child is more than 36 months younger than the offender; ~~and~~ or

(5) a violation of section 171.24 (driving without valid license) by a person whose driver's license or driving privileges have been canceled or denied under section 171.04, subdivision 1, clause (10) (persons not eligible for driver's license, inimical to public safety).

(e) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the plate impoundment violation occurred.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 10. Minnesota Statutes 2008, section 171.09, is amended to read:

**171.09 DRIVING RESTRICTIONS; AUTHORITY, VIOLATIONS.**

Subdivision 1. **Authority; violations.** (a) The commissioner, when good cause appears, may impose restrictions suitable to the licensee's driving ability or other restrictions applicable to the licensee as the commissioner may determine to be appropriate to assure the safe operation of a motor vehicle by the licensee.

(b) Pursuant to Code of Federal Regulations, title 49, section 383.95, if an applicant for a commercial driver's license either does not successfully complete the air brake component of the knowledge test, or does not successfully complete the skills test in a vehicle equipped with air brakes as such tests are prescribed in Code of Federal Regulations, title 49, part 384, the department shall indicate on the class C, class B, or class A commercial driver's license, if issued, that the individual is restricted from operating a commercial motor vehicle equipped with air brakes.

(c) Upon receiving satisfactory evidence of any violation of the restrictions on the license, the commissioner may suspend or revoke the license. A license suspension under this section is subject to section 171.18, subdivisions 2 and 3.

(d) A person who drives, operates, or is in physical control of a motor vehicle while in violation of the restrictions imposed in a restricted driver's license issued to that person under this section is guilty of a crime as follows:

(1) if the restriction relates to the possession or consumption of alcohol or controlled substances, the person is guilty of a gross misdemeanor; or

(2) if the restriction relates to another matter, the person is guilty of a misdemeanor.

(e) It is a misdemeanor for a person who holds a restricted license issued under section 171.306 to drive, operate, or be in physical control of any motor vehicle that is not equipped with a functioning ignition interlock device certified by the commissioner.

Subd. 3. **No-alcohol restriction.** (a) As used in this subdivision, "impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

(b) Upon proper application by a person having a valid driver's license containing the restriction that the person must not consume alcohol or controlled substances, who has not been documented as having consumed alcohol or having possessed or used a controlled substance within the past ten years, and whose driving record contains no impaired driving incident within the past ten years, the commissioner must remove the no-alcohol/controlled substance restriction on the person's driving record and issue to the person a duplicate driver's license that does not show that restriction.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 11. Minnesota Statutes 2008, section 171.30, subdivision 1, is amended to read:

Subdivision 1. **Conditions of issuance.** (a) In any case where a person's license has been suspended under section 171.18, 171.173, or 171.186, ~~or~~ revoked under section 169.792; 169.797; 169A.52, ~~169A.54, subdivision 3, paragraph (a), clause (1), (2), (4), (5), or (6), or subdivision 4, paragraph (a), clause (1) if the test results indicate an alcohol concentration of less than twice the legal limit, (2) if the test results indicate an alcohol concentration of less than twice the legal limit, (4), (5), or (6);~~ 171.17; or 171.172; or revoked, canceled, or denied under section 169A.54, subdivision 1, clause (1), (2), (4), (5), or (6), or subdivision 2 if the person does not have a qualified prior impaired driving incident as defined in section 169A.03, subdivision 22, on the person's record, the commissioner may issue a limited license to the driver including under the following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a postsecondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

(b) The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation, and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

(c) For purposes of this subdivision: (1) "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents; and (2) "twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

(d) The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

(e) In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

(f) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage

satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(g) The limited license issued by the commissioner to a person under section 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner must not issue a limited license to a person who previously has been issued a limited license under section 171.186, subdivision 4.

(h) The commissioner shall not issue a limited driver's license to any person described in section 171.04, subdivision 1, clause (6), (7), (8), ~~(10)~~, (11), or (14).

(i) The commissioner shall not issue a class A, class B, or class C limited license.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 12. Minnesota Statutes 2008, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license shall not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a first violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or

~~(2) 90 days, to a person who submitted to testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections;~~

~~(3) 180 days, to a person who refused testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of sections 169A.20, 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or~~

~~(4)~~ (2) one year, to a person whose license or privilege has been revoked or suspended for committing manslaughter resulting from the operation of a motor vehicle, committing criminal vehicular homicide or injury under section 609.21, or violating a statute or ordinance from another state in conformity with either of those offenses.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 13. Minnesota Statutes 2008, section 171.30, subdivision 4, is amended to read:

Subd. 4. **Penalty.** A person who violates a condition or limitation of a limited license issued under subdivision 1 or fails to have the license in immediate possession at all times when operating a motor vehicle is guilty of a misdemeanor. In addition, except as otherwise provided in the ignition interlock program under section 171.306, a person who violates a condition or limitation of a limited license may not operate a motor vehicle for the remainder of the period of suspension or revocation, or 30 days, whichever is longer.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 14. Minnesota Statutes 2008, section 171.306, as amended by Laws 2009, chapter 29, sections 2 and 3, is amended to read:

**171.306 IGNITION INTERLOCK DEVICE PILOT PROJECT PROGRAM.**

Subdivision 1. ~~Pilot project established; reports~~ **Definitions.** ~~The commissioner shall conduct a statewide two year ignition interlock device pilot project as provided in this section. The pilot project must begin on July 1, 2009, and continue until June 30, 2011. The commissioner shall submit a preliminary report by September 30, 2010, and a final report by September 30, 2011, to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over criminal justice policy and funding. The reports must evaluate the successes and failures of the pilot project, provide information on participation rates, and make recommendations on continuing the project.~~ (a) As used in this section, the terms in this subdivision have the meanings given them.

(b) "Ignition interlock device" or "device" means equipment that is designed to measure breath alcohol concentration and to prevent a motor vehicle's ignition from being started by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

(c) "Program participant" means a person whose driver's license has been revoked, canceled, or denied under section 169A.52, 169A.54, or 171.04, subdivision 1, clause (10), and who has qualified to take part in the ignition interlock program under this section.

(d) "Qualified prior impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

Subd. 2. **Performance standards; certification; manufacturer requirements.** ~~The commissioner shall determine appropriate establish performance standards and a certification process for ignition interlock certifying devices for used in the pilot project. Only devices certified by the commissioner as meeting the performance standards may be used in the pilot project.~~ ignition interlock program. The manufacturer of a device must apply annually for certification of the device by submitting the form prescribed by the commissioner. The commissioner shall require manufacturers of certified devices to:

(1) provide device installation, servicing, and monitoring to indigent program participants at a discounted rate, according to the standards established by the commissioner; and

(2) include in an ignition interlock device contract a provision that a program participant who voluntarily terminates participation in the program is only liable for servicing and monitoring costs incurred during the time the device is installed on the motor vehicle, regardless of whether the term of the contract has expired.

Subd. 3. ~~Pilot project components~~ **Program requirements.** (a) ~~Under the pilot project, the commissioner shall issue a driver's license to an individual whose driver's license has been revoked under chapter 169A for an impaired driving incident if the person qualifies under this section and agrees to all of the conditions of the project. The commissioner shall establish guidelines for participation in the ignition interlock program. A person who seeks to participate in the program shall sign a written acknowledgment that the person has received, reviewed, and agreed to abide by the program guidelines.~~

(b) ~~The commissioner must denote the person's driver's license enter a notation on a person's driving record to indicate that the person's participation in the person is a program participant. The license must authorize the person to drive only vehicles having functioning ignition interlock devices conforming with the requirements of subdivision 2.~~

(c) ~~Notwithstanding any statute or rule to the contrary, the commissioner has authority to and shall determine the appropriate period for which a person participating in the ignition interlock pilot program shall be subject to this program, and when the person is eligible to be issued.~~ A person under the age of 18 years is not eligible to be a program participant.

- ~~(1) a limited driver's license subject to the ignition interlock restriction;~~
- ~~(2) full driving privileges subject to the ignition interlock restriction; and~~
- ~~(3) a driver's license without an ignition interlock restriction.~~

(d) A program participant shall pay costs associated with an ignition interlock device on every motor vehicle that the participant operates or intends to operate.

(e) A person participating in this pilot project program participant shall agree to participate in any treatment recommended by in a chemical use assessment report.

~~(e) The commissioner shall determine guidelines for participation in the project. A person participating in the project shall sign a written agreement accepting these guidelines and agreeing to comply with them.~~

~~(f) It is a misdemeanor for a person who is licensed under this section for driving a vehicle equipped with an ignition interlock device to drive, operate, or be in physical control of a motor vehicle other than a vehicle properly equipped with an A program participant shall bring the device-equipped motor vehicle or vehicles operated by the program participant to an approved service provider for device calibration and servicing according to the schedule established by the commissioner and as indicated by the ignition interlock device.~~

**Subd. 4. Issuance of restricted license.** (a) The commissioner shall issue a class D driver's license, subject to the applicable limitations and restrictions of this section, to a program participant who meets the requirements of this section and the program guidelines. The commissioner shall not issue a license unless the program participant has provided satisfactory proof that: (1) a certified ignition interlock device has been installed on the participant's motor vehicle at an installation service center designated by the device's manufacturer; and (2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. The commissioner shall require the participant to present an insurance identification card, policy, or written statement as proof of insurance coverage, and may require the insurance identification card provided be certified by the insurance company to be noncancelable for a period not to exceed 12 months. A license issued under authority of this section must contain a restriction prohibiting the program participant from driving, operating, or being in physical control of any motor vehicle not equipped with a functioning ignition interlock device certified by the commissioner. A participant may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner and with the employer's written consent.

(b) A program participant whose driver's license has been revoked under section 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), or (3), may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction.

(c) A program participant whose driver's license has been revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or section 169A.54, subdivision 1, clause (4), (5), or (6), may apply for a limited license, subject to the ignition interlock restriction, if the program participant is enrolled in a licensed chemical dependency treatment or rehabilitation program as recommended in a chemical use assessment, and if the participant meets the other applicable requirements of section 171.30. After completing a licensed chemical dependency treatment or rehabilitation program and one year of limited license use without violating the ignition interlock restriction, the conditions of limited license use, or program guidelines, the participant may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction. If the program participant's ignition interlock device subsequently registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall cancel the driver's license, and the program participant may apply for another limited license according to this paragraph.

(d) Notwithstanding any statute or rule to the contrary, the commissioner has authority to determine when a program participant is eligible for restoration of full driving privileges, except that the commissioner shall not reinstate full driving privileges until the program participant has met all applicable prerequisites for reinstatement under section 169A.55 and until the program participant's device has registered no positive breath alcohol concentrations of 0.02 or higher during the preceding 90 days.

Subd. 5. **Penalties; program violations.** (a) If a program participant tampers with, circumvents, or bypasses a device; drives, operates, or exercises physical control over a motor vehicle not equipped with a device certified by the commissioner; violates a condition of a limited license issued under subdivision 4 and section 171.30; or violates the program guidelines of subdivision 2, the commissioner shall extend the person's revocation period under section 169A.52 or 169A.54 by:

(1) 180 days for a first violation;

(2) one year for a second violation; or

(3) 545 days for a third and each subsequent violation.

(b) Notwithstanding paragraph (a), the commissioner may terminate participation in the program by any person when, in the commissioner's judgment, termination is necessary to the interests of public safety and welfare. In the event of termination, the commissioner shall not reduce the applicable revocation period under section 169A.52 or 169A.54 by the amount of time during which the person possessed a limited or restricted driver's license issued under the authority of subdivision 4.

Subd. 6. **Penalties; tampering.** (a) A person who lends, rents, or leases a motor vehicle that is not equipped with a functioning ignition interlock device certified by the commissioner to a person with a license issued under this section knowing that the person is subject to the ignition interlock restriction is guilty of a misdemeanor.

(b) A person who tampers with, circumvents, or bypasses the ignition interlock device, or assists another to tamper with, circumvent, or bypass the device, is guilty of a misdemeanor except when the action was taken for emergency purposes or for mechanical repair, and the person limited to the use of an ignition interlock device does not operate the motor vehicle while the device is disengaged.

Subd. 7. **Venue.** In addition to the provisions of Rule 24 of the Rules of Criminal Procedure and section 627.01, a violation of subdivision 6 or section 171.09, subdivision 1, paragraph (e), may be prosecuted in:

(1) the county in which the vehicle involved in the offense is found;

(2) the county in which the accused resides;

(3) any county through which the vehicle traveled in the course of the trip during or after which the offense was committed; or

(4) the county in which the impaired driving incident occurred, which resulted in the accused being issued a driver's license with an ignition interlock restriction.

Subd. 8. **Rulemaking.** In establishing the performance standards and certification process of subdivision 2 and the program guidelines of subdivision 3, the commissioner is exempt from chapter 14, including section 14.386. If rules are otherwise necessary to implement this section, the commissioner may adopt, amend, and repeal rules using the exempt procedures of section 14.386, except that paragraph (b) shall not apply.

**EFFECTIVE DATE.** Subdivisions 1 to 7 are effective July 1, 2011. Subdivision 8 is effective August 1, 2010.

Sec. 15. Minnesota Statutes 2008, section 609.131, subdivision 2, is amended to read:

Subd. 2. **Certain violations excepted.** Subdivision 1 does not apply to a misdemeanor violation of section 169A.20; 171.09, subdivision 1, paragraph (e); 171.306, subdivision 6; 609.224; 609.2242; 609.226; 609.324, subdivision 3; 609.52; or 617.23, or an ordinance that conforms in substantial part to any of those sections. A violation described in this subdivision must be treated as a misdemeanor unless the defendant consents to the certification of the violation as a petty misdemeanor.

**EFFECTIVE DATE.** This section is effective July 1, 2011.

Sec. 16. **RULEMAKING.**

The commissioner may adopt, amend, or repeal rules as needed to administer Minnesota Statutes, section 169A.55, subdivision 4, paragraph (a), using the exempt procedures of Minnesota Statutes, section 14.386, except that paragraph (b) shall not apply.

**EFFECTIVE DATE.** This section is effective August 1, 2010.

Sec. 17. **REPEALER.**

Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; and 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11, are repealed effective July 1, 2011."

Delete the title and insert:

"A bill for an act relating to public safety; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.03, by adding a subdivision; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11."

We request the adoption of this report and repassage of the bill.

House Conferees: KARLA BIGHAM, DEBRA HILSTROM, KIM NORTON, TONY CORNISH and STEVE DRAZKOWSKI.

Senate Conferees: STEVE MURPHY, MEE MOUA, JULIE ROSEN, JOHN DOLL and JIM CARLSON.

Bigham moved that the report of the Conference Committee on H. F. No. 3106 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3106 A bill for an act relating to public safety; amending first-degree driving while impaired crime to include prior felony convictions from other states; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.24, subdivision 1; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by Conference, and its title agreed to.

### CALENDAR FOR THE DAY

S. F. No. 2634 was reported to the House.

Mullery moved to amend S. F. No. 2634, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2610, the first engrossment:

"Section 1. Minnesota Statutes 2008, section 609.531, subdivision 4, is amended to read:

Subd. 4. **Seizure.** (a) Property subject to forfeiture under sections 609.531 to 609.5318 may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property. Property may be seized without process if:

(1) the seizure is incident to a lawful arrest or a lawful search;

(2) the property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this chapter; or

(3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the property and that:

- (i) the property was used or is intended to be used in commission of a felony; or
- (ii) the property is dangerous to health or safety.

If property is seized without process under item (i), the county attorney must institute a forfeiture action under section 609.5313 as soon as is reasonably possible.

(b) When property is seized, the officer must provide a receipt to the person found in possession of the property; or in the absence of any person, the officer must leave a receipt in the place where the property was found, if reasonably possible.

**EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to seizures conducted on or after that date.

Sec. 2. Minnesota Statutes 2008, section 609.531, subdivision 5, is amended to read:

Subd. 5. **Right to possession vests immediately; custody of seized property.** All right, title, and interest in property subject to forfeiture under sections 609.531 to 609.5318 vests in the appropriate agency upon commission of the act or omission giving rise to the forfeiture. Any property seized under sections 609.531 to 609.5318 is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When property is so seized, the appropriate agency shall use reasonable diligence to secure the property and prevent waste and may do any of the following:

- (1) place the property under seal;
- (2) remove the property to a place designated by it; and
- (3) in the case of controlled substances, require the state Board of Pharmacy to take custody of the property and remove it to an appropriate location for disposition in accordance with law; ~~and,~~
- ~~(4) take other steps reasonable and necessary to secure the property and prevent waste.~~

**EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to seizures conducted on or after that date.

Sec. 3. Minnesota Statutes 2008, section 609.531, is amended by adding a subdivision to read:

Subd. 7. **Petition for remission or mitigation.** Prior to the entry of a court order disposing with the forfeiture action, any person who has an interest in forfeited property may file with the county attorney a petition for remission or mitigation of the forfeiture. The county attorney may remit or mitigate the forfeiture upon terms and conditions the county attorney deems reasonable if the county attorney finds that: (1) the forfeiture was incurred without willful negligence or without any intention on the part of the petitioner to violate the law; or (2) extenuating circumstances justify the remission or mitigation of the forfeiture.

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

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

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

- (1) best practices in pursuing, seizing, and tracking forfeitures;
- (2) type and frequency of training for law enforcement on forfeiture laws; and
- (3) situations in which forfeitures should not be pursued.

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

- (1) statutory role of prosecutors in forfeiture procedures;
- (2) best practices for timely and fair resolution of forfeiture cases;
- (3) type and frequency of training for prosecutors on forfeiture laws; and
- (4) situations in which forfeitures should not be pursued.

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

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

Sec. 5. Minnesota Statutes 2008, section 609.5311, subdivision 3, is amended to read:

**Subd. 3. Limitations on forfeiture of certain property associated with controlled substances.** (a) A conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is ~~\$25~~ \$50 or more and the conveyance device is associated with a felony-level controlled substance crime.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance or contraband is \$1,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Forfeiture under this section of real property is subject to the interests of a good faith purchaser for value unless the purchaser had knowledge of or consented to the act or omission upon which the forfeiture is based.

(g) Notwithstanding paragraphs (d), (e), and (f), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if: (1) the owner or secured party took reasonable steps to terminate use of the property by the offender; or (2) the property is real property owned by the parent of the offender, unless the parent actively participated in, or knowingly acquiesced to, a violation of chapter 152, or the real property constitutes proceeds derived from or traceable to a use described in subdivision 2.

(h) The Department of Corrections Fugitive Apprehension Unit shall not seize a conveyance device or real property, for the purposes of forfeiture under paragraphs (a) to (g).

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

Sec. 6. Minnesota Statutes 2008, section 609.5313, is amended to read:

**609.5313 FORFEITURE BY JUDICIAL ACTION; PROCEDURE.**

(a) The forfeiture of property under sections 609.5311 and 609.5312 is governed by this section. A separate complaint must be filed against the property stating the act, omission, or occurrence giving rise to the forfeiture and the date and place of the act or occurrence. Within 90 days from when the seizure occurs, the county attorney shall notify the owner or possessor of the property of the action, if known or readily ascertainable. The action must be captioned in the name of the county attorney or the county attorney's designee as plaintiff and the property as defendant. Upon motion by the county attorney, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown.

(b) If notice is not sent in accordance with paragraph (a), and no time extension is granted or the extension period has expired, the appropriate agency shall return the property to the person from whom the property was seized, if known. An agency's return of property due to lack of proper notice does not restrict the right of the agency to commence a forfeiture proceeding at a later time. The agency shall not be required to return contraband or other property that the person from whom the property was seized may not legally possess.

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

Sec. 7. Minnesota Statutes 2008, section 609.5314, subdivision 2, is amended to read:

Subd. 2. **Administrative forfeiture procedure.** (a) Forfeiture of property described in subdivision 1 that does not exceed \$75,000 in value is governed by this subdivision. Within 90 days from when seizure occurs, ~~or within a reasonable time after that,~~ all persons known to have an ownership, possessory, or security interest in seized property must be notified of the seizure and the intent to forfeit the property. In the case of a motor vehicle required to be registered under chapter 168, notice mailed by certified mail to the address shown in Department of Public Safety records is deemed sufficient notice to the registered owner. The notification to a person known to have a security interest in seized property required under this paragraph applies only to motor vehicles required to be registered under chapter 168 and only if the security interest is listed on the vehicle's title. Upon motion by the appropriate agency or county attorney, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown.

(b) Notice may otherwise be given in the manner provided by law for service of a summons in a civil action. The notice must be in writing and contain:

- (1) a description of the property seized;
- (2) the date of seizure;

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English, Hmong, and Spanish. Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 609.5314, SUBDIVISION 3, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY. YOU MAY NOT HAVE TO PAY THE FILING FEE FOR THE DEMAND IF DETERMINED YOU ARE UNABLE TO AFFORD THE FEE. IF THE PROPERTY IS WORTH \$7,500 OR LESS, YOU MAY FILE YOUR CLAIM IN CONCILIATION COURT. YOU DO NOT HAVE TO PAY THE CONCILIATION COURT FILING FEE IF THE PROPERTY IS WORTH LESS THAN \$500."

(c) If notice is not sent in accordance with paragraph (a), and no time extension is granted or the extension period has expired, the appropriate agency shall return the property to the person from whom the property was seized, if known. An agency's return of property due to lack of proper notice does not restrict the right of the agency to commence a forfeiture proceeding at a later time. The agency shall not be required to return contraband or other property that the person from whom the property was seized may not legally possess.

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

Sec. 8. Minnesota Statutes 2008, section 609.5314, subdivision 3, is amended to read:

Subd. 3. **Judicial determination.** (a) Within 60 days following service of a notice of seizure and forfeiture under this section, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the county attorney for that county, and the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01. If the value of the seized property is \$7,500 or less, the claimant may file an action in conciliation court for recovery of the seized property. If the value of the seized property is less than \$500, the claimant does not have to pay the conciliation court filing fee. No responsive pleading is required of the county attorney and no court fees may be charged for the county attorney's appearance in the matter. The hearing must be held at the earliest practicable date, and in any event no later than 180 days following the filing of the demand by the claimant. If a related criminal proceeding is pending, the hearing shall not be held until the conclusion of the criminal proceedings. The district court administrator shall schedule the hearing as soon as practicable after adjudication in the criminal prosecution. The proceedings are governed by the Rules of Civil Procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff and the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 609.531, subdivision 6a. The limitations and defenses set forth in section 609.5311, subdivision 3, apply to the judicial determination.

(d) If a demand for judicial determination of an administrative forfeiture is filed under this subdivision and the court orders the return of the seized property, the court shall order that filing fees be reimbursed to the person who filed the demand. In addition, the court may order sanctions under section 549.211. If the court orders payment of these costs, they must be paid from forfeited money or proceeds from the sale of forfeited property from the appropriate law enforcement and prosecuting agencies in the same proportion as they would be distributed under section 609.5315, subdivision 5.

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

Sec. 9. Minnesota Statutes 2008, section 609.5315, subdivision 1, is amended to read:

Subdivision 1. **Disposition.** (a) Subject to paragraph (b), if the court finds under section 609.5313, 609.5314, or 609.5318 that the property is subject to forfeiture, it shall order the appropriate agency to do one of the following:

(1) unless a different disposition is provided under clause (3) or (4), either destroy firearms, ammunition, and firearm accessories that the agency decides not to use for law enforcement purposes under clause (8), or sell them to federally licensed firearms dealers, as defined in section 624.7161, subdivision 1, and distribute the proceeds under subdivision 5 or 5b;

(2) sell property that is not required to be destroyed by law and is not harmful to the public and distribute the proceeds under subdivision 5 or 5b;

(3) sell antique firearms, as defined in section 624.712, subdivision 3, to the public and distribute the proceeds under subdivision 5 or 5b;

(4) destroy or use for law enforcement purposes semiautomatic military-style assault weapons, as defined in section 624.712, subdivision 7;

(5) take custody of the property and remove it for disposition in accordance with law;

(6) forward the property to the federal drug enforcement administration;

(7) disburse money as provided under subdivision 5 or 5b; or

(8) keep property other than money for official use by the agency and the prosecuting agency.

(b) Notwithstanding paragraph (a), the Hennepin or Ramsey County sheriff may not sell firearms, ammunition, or firearm accessories if the policy is disapproved by the applicable county board.

(c) If property is sold under paragraph (a), the appropriate agency shall not sell property to an officer or employee of the agency that seized the property or to a person related to the officer or employee by blood or marriage.

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

Sec. 10. Minnesota Statutes 2008, section 609.5315, subdivision 2, is amended to read:

Subd. 2. **Disposition of administratively forfeited property.** If property is forfeited administratively under section 609.5314 or 609.5318 and no demand for judicial determination is made, the appropriate agency shall provide the county attorney with a copy of the forfeiture or evidence receipt, the notice of seizure and intent to forfeit, a statement of probable cause for forfeiture of the property, and a description of the property and its

estimated value. Upon review and certification by the county attorney that (1) the appropriate agency provided a receipt in accordance with section 609.531, subdivision 4, or 626.16; (2) the appropriate agency served notice in accordance with section 609.5314, subdivision 2, or 609.5318, subdivision 2; and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate agency may dispose of the property in any of the ways listed in subdivision 1.

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

Delete the title and insert:

"A bill for an act relating to forfeiture; requiring officers to give forfeiture receipts upon seizure of property; implementing timelines for forfeiture notice and hearings; placing a cap on the value of property that may be forfeited administratively; authorizing petitions for remission and mitigation of seized property; requiring certification by prosecutor before property may be forfeited administratively; requiring forfeiture proceeds to be deposited in special trust accounts; directing Department of Public Safety to establish model policy related to forfeiture proceedings; requiring law enforcement to secure seized property; prohibiting sale of forfeited property to law enforcement officers, employees, and family members; amending Minnesota Statutes 2008, sections 609.531, subdivisions 4, 5, by adding subdivisions; 609.5311, subdivision 3; 609.5313; 609.5314, subdivisions 2, 3; 609.5315, subdivisions 1, 2."

The motion prevailed and the amendment was adopted.

Liebling, Rukavina and Paymar moved to amend S. F. No. 2634, the second engrossment, as amended, as follows:

Page 2, after line 23, insert:

"Sec. 3. Minnesota Statutes 2008, section 609.531, is amended by adding a subdivision to read:

**Subd. 6b. Forfeiture a civil procedure; conviction as prerequisite.** (a) An action for forfeiture under section 609.5313 is an independent civil in rem action. The appropriate agency handling the forfeiture has the burden of proving by clear and convincing evidence that:

(1) the owner of the property was convicted of a crime that subjects the property to forfeiture;

(2) the owner's property was used in committing the underlying crime or conduct or represents proceeds derived proximately from the underlying crime; and

(3) the forfeiture of any property used to commit a crime or conduct is proportional to the underlying crime or conduct.

(b) For purposes of forfeiture under section 609.5311, a judicial stipulation of facts is considered to be a conviction.

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

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

Subd. 6c. **Unclaimed property; contraband.** Notwithstanding subdivision 6b, a judgment of forfeiture may be entered without an underlying conviction for the following types of property:

(1) contraband; and

(2) property for which no person has claimed an interest and, after reasonable investigation, no owner has been found.

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

Pages 5 to 7, delete sections 7 and 8

Page 7, line 25, strike ", 609.5314, or 609.5318"

Page 8, delete section 10 and insert:

"Sec. 10. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall make any cross-reference changes, language changes, or both, to Minnesota Statutes made necessary by this act.

Sec. 11. **REPEALER.**

Minnesota Statutes 2008, sections 609.531, subdivision 6a; 609.5314; and 609.5318, are repealed.

**EFFECTIVE DATE.** This section is effective August 1, 2010."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

On the motion of Simon and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Brod	Demmer	Emmer	Hamilton	Hosch
Anderson, B.	Brown	Dettmer	Falk	Hansen	Howes
Anderson, P.	Brynaert	Dill	Faust	Hausman	Jackson
Anderson, S.	Buesgens	Dittrich	Fritz	Haws	Johnson
Anzelc	Bunn	Doepke	Gardner	Hayden	Juhnke
Atkins	Carlson	Doty	Garofalo	Hilstrom	Kahn
Beard	Champion	Downey	Gottwalt	Hilty	Kalin
Benson	Clark	Drazkowski	Greiling	Holberg	Kath
Bigham	Cornish	Eastlund	Gunther	Hoppe	Kelly
Bly	Davnie	Eken	Hackbarth	Hornstein	Kiffmeyer

Knuth	Mack	Murphy, M.	Peterson	Simon	Wagenius
Koenen	Mahoney	Nelson	Poppe	Slawik	Ward
Kohls	Mariani	Newton	Rosenthal	Slocum	Walti
Laine	Marquart	Nornes	Rukavina	Smith	Westrom
Lanning	Masin	Norton	Ruud	Solberg	Winkler
Lenczewski	McFarlane	Obermueller	Sanders	Sterner	Zellers
Lesch	McNamara	Olin	Scalze	Swails	Spk. Kelliher
Liebling	Morgan	Otremba	Scott	Thao	
Lieder	Morrow	Paymar	Seifert	Thissen	
Lillie	Mullery	Pelowski	Sertich	Tillberry	
Loeffler	Murdock	Peppin	Severson	Torkelson	
Loon	Murphy, E.	Persell	Shimanski	Urdahl	

Morrow 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.

Severson was excused between the hours of 3:20 p.m. and 4:55 p.m.

The question recurred on the Liebling et al amendment and the roll was called. There were 20 yeas and 111 nays as follows:

Those who voted in the affirmative were:

Bly	Falk	Hilty	Kohls	Paymar
Buesgens	Greiling	Holberg	Liebling	Rukavina
Clark	Hausman	Kahn	Mariani	Thao
Davnie	Hayden	Kalin	Masin	Winkler

Those who voted in the negative were:

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

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

Beard was excused between the hours of 3:40 p.m. and 5:35 p.m.

Liebling, Rukavina and Paymar moved to amend S. F. No. 2634, the second engrossment, as amended, as follows:

Page 8, after line 28, insert:

"Sec. 11. Minnesota Statutes 2008, section 609.5315, subdivision 5, is amended to read:

Subd. 5. **Distribution of money.** The money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be ~~distributed as follows:~~ forwarded to the commissioner of management and budget to be deposited into the state treasury and credited to the general fund. This money must be appropriated by the legislature for public safety purposes.

~~(1) 70 percent of the money or proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;~~

~~(2) 20 percent of the money or proceeds must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and~~

~~(3) the remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the general fund. Any local police relief association organized under chapter 423 which received or was entitled to receive the proceeds of any sale made under this section before the effective date of Laws 1988, chapter 665, sections 1 to 17, shall continue to receive and retain the proceeds of these sales.~~

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

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 Liebling et al amendment and the roll was called. There were 20 yeas and 110 nays as follows:

Those who voted in the affirmative were:

Atkins	Falk	Hilty	Liebling	Rukavina
Bly	Greiling	Kahn	Mariani	Thao
Brynaert	Hausman	Kalin	Norton	Welti
Davnie	Hayden	Laine	Paymar	Winkler

Those who voted in the negative were:

Abeler	Anderson, S.	Bigham	Buesgens	Champion	Dean
Anderson, B.	Anzelc	Brod	Bunn	Clark	Demmer
Anderson, P.	Benson	Brown	Carlson	Cornish	Dettmer

Dill	Hamilton	Kiffmeyer	McNamara	Peterson	Solberg
Dittrich	Hansen	Knuth	Morgan	Poppe	Sterner
Doepke	Haws	Koenen	Morrow	Reinert	Swails
Doty	Hilstrom	Kohls	Mullery	Rosenthal	Thissen
Downey	Holberg	Lanning	Murdock	Ruud	Tillberry
Drazkowski	Hoppe	Lenczewski	Murphy, E.	Sailer	Torkelson
Eastlund	Hornstein	Lesch	Murphy, M.	Sanders	Urdahl
Eken	Hortman	Lieder	Nelson	Scalze	Wagenius
Emmer	Hosch	Lillie	Newton	Scott	Ward
Faust	Howes	Loeffler	Nornes	Seifert	Westrom
Fritz	Huntley	Loon	Obermueller	Sertich	Zellers
Gardner	Jackson	Mack	Olin	Shimanski	Spk. Kelliher
Garofalo	Johnson	Mahoney	Otremba	Simon	
Gottwalt	Juhnke	Marquart	Pelowski	Slawik	
Gunther	Kath	Masin	Peppin	Slocum	
Hackbarth	Kelly	McFarlane	Persell	Smith	

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

S. F. No. 2634, A bill for an act relating to public safety; making numerous changes to the controlled substance forfeiture law; expanding the reporting requirements related to forfeiture; requiring model policies on forfeiture; addressing the disposition of forfeiture proceeds; providing for a probable cause determination for certain forfeitures; amending Minnesota Statutes 2008, sections 97A.221, by adding a subdivision; 97A.223, by adding a subdivision; 97A.225, by adding a subdivision; 169A.63, by adding a subdivision; 491A.01, subdivision 3; 609.531, subdivisions 1a, 5, 5a, by adding a subdivision; 609.5311, subdivision 3; 609.5313; 609.5314; 609.5315, subdivisions 5, 6, by adding a subdivision; 609.5318, subdivision 3; 609.762, by adding a subdivision; 609.905, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 84.7741, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 388; 626.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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

#### MOTION TO LIFT CALL OF THE HOUSE

Howes moved that the call of the House be lifted. The motion did not prevail.

H. F. No. 2866 was reported to the House.

Carlson moved to amend H. F. No. 2866, the second engrossment, as follows:

Page 1, line 16, reinstate the stricken language

The motion prevailed and the amendment was adopted.

Holberg was excused between the hours of 4:15 p.m. and 5:05 p.m.

H. F. No. 2866, A bill for an act relating to state government; modifying authority of the executive branch to reduce unexpended allotments; amending Minnesota Statutes 2008, section 16A.152, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 16A.

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 87 yeas and 43 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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 has concurred in and adopted the report of the Conference Committee on:

H. F. No. 3106, A bill for an act relating to public safety; amending first-degree driving while impaired crime to include prior felony convictions from other states; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.24, subdivision 1; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2634, A bill for an act relating to public safety; making numerous changes to the controlled substance forfeiture law; expanding the reporting requirements related to forfeiture; requiring model policies on forfeiture; addressing the disposition of forfeiture proceeds; providing for a probable cause determination for certain forfeitures; amending Minnesota Statutes 2008, sections 97A.221, by adding a subdivision; 97A.223, by adding a subdivision; 97A.225, by adding a subdivision; 169A.63, by adding a subdivision; 491A.01, subdivision 3; 609.531, subdivisions 1a, 5, 5a, by adding a subdivision; 609.5311, subdivision 3; 609.5313; 609.5314; 609.5315,

subdivisions 5, 6, by adding a subdivision; 609.5318, subdivision 3; 609.762, by adding a subdivision; 609.905, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 84.7741, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 388; 626.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Moua, Higgins and Latz.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Mullery moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2634. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 184.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 184

A bill for an act relating to higher education; authorizing data matching; modifying institution eligibility; establishing award procedures; establishing scholarship priorities; establishing powers and duties; modifying security requirements; regulating the use of certain revenues; providing for refunds; defining terms; making technical corrections; amending Minnesota Statutes 2008, sections 136A.101, subdivision 10; 136A.126, subdivision 1, by adding a subdivision; 136A.127, subdivision 6, by adding subdivisions; 136A.15, subdivision 6; 136A.16, subdivision 14; 136A.62, subdivision 3; 136A.645; 136A.646; 136A.65, by adding a subdivision; 136F.581, by adding a subdivision; 141.25, subdivisions 7, 13, by adding a subdivision; 141.251, subdivision 2; 141.28, subdivision 2; Minnesota Statutes 2009 Supplement, sections 136A.01, subdivision 2; 136A.101, subdivision 4; 136A.127, subdivisions 2, 4; 299A.45, subdivision 1; 340A.404, subdivision 4a; Laws 2009, chapter 95, article 2, section 40; Laws 2010, chapter 215, article 2, sections 4, subdivision 3; 6; proposing coding for new law in Minnesota Statutes, chapters 136A; 137.

May 12, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 184 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 184 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 135A.15, subdivision 1, is amended to read:

Subdivision 1. **Policy required.** The Board of Trustees of the Minnesota State Colleges and Universities shall, and the University of Minnesota is requested to, adopt a clear, understandable written policy on sexual harassment and sexual violence that informs victims of their rights under the crime victims bill of rights, including the right to assistance from the Crime Victims Reparations Board and the commissioner of public safety. The policy must apply to students and employees and must provide information about their rights and duties. The policy must apply to criminal incidents occurring on property owned by the postsecondary system or institution in which the victim is a student or employee of that system or institution. It must include procedures for reporting incidents of sexual harassment or sexual violence and for disciplinary actions against violators. During student registration, each technical college, community college, or state university shall, and the University of Minnesota is requested to, provide each student with information regarding its policy. A copy of the policy also shall be posted at appropriate locations on campus at all times. Each private postsecondary institution that is an eligible institution as defined in section ~~136A.101, subdivision 4~~ 136A.155, must adopt a policy that meets the requirements of this section.

Sec. 2. Minnesota Statutes 2008, section 135A.155, is amended to read:

#### **135A.155 HAZING POLICY.**

The Board of Trustees of the Minnesota State Colleges and Universities shall, and the University of Minnesota is requested to, adopt a clear, understandable written policy on student conduct, including hazing. The policy must include procedures for reporting incidents of inappropriate hazing and for disciplinary actions against individual violators and organizations. The policy shall be made available to students by appropriate means as determined by each institution, which may include publication in a student handbook or other institutional publication, or posting by electronic display on the Internet, and shall be posted at appropriate locations on campus. A private postsecondary institution that is an eligible institution as defined in section ~~136A.101, subdivision 4~~ 136A.155, must adopt a policy that meets the requirements of this section.

Sec. 3. Minnesota Statutes 2008, section 135A.51, subdivision 2, is amended to read:

Subd. 2. **Senior citizen.** "Senior citizen" means a person who has reached ~~62~~ 66 years of age before the beginning of any term, semester or quarter, in which a course of study is pursued, or a person receiving a railroad retirement annuity who has reached 60 years of age before the beginning of the term.

Sec. 4. Minnesota Statutes 2009 Supplement, section 136A.01, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** (a) The Minnesota Office of Higher Education is responsible for:

(1) necessary state level administration of financial aid programs, including accounting, auditing, and disbursing state and federal financial aid funds, and reporting on financial aid programs to the governor and the legislature;

(2) approval, registration, licensing, and financial aid eligibility of private collegiate and career schools, under sections 136A.61 to 136A.71 and chapter 141;

(3) negotiating and administering reciprocity agreements;

(4) publishing and distributing financial aid information and materials, and other information and materials under section 136A.87, to students and parents;

(5) collecting and maintaining student enrollment and financial aid data and reporting data on students and postsecondary institutions to develop and implement a process to measure and report on the effectiveness of postsecondary institutions;

(6) administering the federal programs that affect students and institutions on a statewide basis; and

(7) prescribing policies, procedures, and rules under chapter 14 necessary to administer the programs under its supervision.

(b) The office may match individual student data from the student record enrollment database with individual student financial aid data collected and maintained by the office in order to audit or evaluate federal or state supported education programs as permitted by United States Code, title 20, section 1232g(b)(3), and Code of Federal Regulations, title 34, section 99.35. The office shall not release data that personally identifies parents or students other than to employees and contractors of the office.

Sec. 5. Minnesota Statutes 2009 Supplement, section 136A.101, subdivision 4, is amended to read:

Subd. 4. **Eligible institution.** "~~Eligible institution~~" means ~~a postsecondary educational institution located in this state or in a state with which the office has entered into a higher education reciprocity agreement on state student aid programs that (1) is operated by this state or the Board of Regents of the University of Minnesota, or (2) is operated privately and, as determined by the office, meets all of the following: (i) maintains academic standards substantially equivalent to those of comparable institutions operated in this state; (ii) is licensed or registered as a postsecondary institution by the office or another state agency; and (iii) by July 1, 2013, is participating in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, as amended~~ an institution that meets the eligibility requirements under section 136A.103.

Sec. 6. Minnesota Statutes 2008, section 136A.101, subdivision 10, is amended to read:

Subd. 10. **Satisfactory academic progress.** "Satisfactory academic progress" means ~~that:—satisfactory academic progress as defined under Code of Federal Regulations, title 34, sections 668.16(e), 668.32(f), and 668.34.~~

~~(1) by the end of a student's second academic year of attendance at an institution, the student has at least a cumulative grade point average of C or its equivalent, or academic standing consistent with the institution's graduation requirements; and~~

~~(2) by the end of the first term of the third and fourth academic year of attendance, the student has a cumulative grade point average of at least a C or its equivalent.~~

Sec. 7. **[136A.103] INSTITUTION ELIGIBILITY REQUIREMENTS.**

(a) A postsecondary institution is eligible for state student aid under chapter 136A and sections 197.791 and 299A.45, if the institution is located in this state and:

(1) is operated by this state or the Board of Regents of the University of Minnesota; or

(2) is operated privately and, as determined by the office, meets the requirements of paragraph (b).

(b) A private institution must:

(1) maintain academic standards substantially equivalent to those of comparable institutions operated in this state;

(2) be licensed or registered as a postsecondary institution by the office; and

(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or

(ii) if an institution was participating in state student aid programs as of June 30, 2010, and the institution did not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program.

(c) An institution that offers only graduate-level degrees or graduate-level nondegree programs, or that offers only degrees or programs that do not meet the required minimum program length to participate in the federal Pell Grant program, is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.

(d) An eligible institution under paragraph (b), clause (3), item (ii), that changes ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility.

(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution.

Sec. 8. Minnesota Statutes 2008, section 136A.126, subdivision 1, is amended to read:

Subdivision 1. **Student eligibility.** The director of the Office of Higher Education shall establish procedures for the distribution of scholarships to a Minnesota resident student as defined under section 136A.101, subdivision 8, who:

(1) is of one-fourth or more Indian ancestry;

(2) has applied for other existing state and federal scholarship and grant programs;

(3) is meeting satisfactory academic progress as defined under section 136A.101, subdivision 10;

(4) is not in default, as defined by the office, of a federal or state student educational loan;

(5) if enrolled in an undergraduate program, is eligible or would be eligible to receive a federal Pell Grant or a state grant based on the federal needs analysis and is enrolled for nine semester credits per term or more, or the equivalent;

~~(4)~~ (6) if enrolled in a graduate program, demonstrates a remaining financial need in the award amount calculation and is enrolled, per term, on a half-time basis or more as defined by the postsecondary institution; and

~~(5)~~ (7) in the opinion of the director of the Office of Higher Education, based upon postsecondary institution recommendations, has the capabilities to benefit from further education.

Sec. 9. Minnesota Statutes 2008, section 136A.126, is amended by adding a subdivision to read:

Subd. 5. **Awarding procedure.** (a) Awards must be made on a first-come, first-served basis in the order complete applications are received. If there are multiple applications with identical completion dates, those applications are further sorted by application receipt date.

(b) Awards are made to eligible students until the appropriation is expended.

(c) Applicants not receiving a grant and for whom the office has received a completed application are placed on a waiting list in order of application completion date.

Sec. 10. Minnesota Statutes 2009 Supplement, section 136A.127, subdivision 2, is amended to read:

Subd. 2. **Definition; qualifying program.** For the purposes of this section, a "qualifying program" means a rigorous secondary school program of study ~~defined for Minnesota high school graduates recognized~~ by the ~~Department of Education under agreement with the~~ Secretary of Education for the purposes of determining eligibility for the federal Academic Competitiveness Grant Program under Title IV of the Higher Education Act of 1965, as amended on August 14, 2008. If a qualifying program includes a foreign language requirement, the foreign language requirement is waived for a student whose first language is not English and who attains English language proficiency.

Sec. 11. Minnesota Statutes 2009 Supplement, section 136A.127, subdivision 4, is amended to read:

Subd. 4. **Student eligibility.** To be eligible to receive a scholarship under this section, in addition to the requirements listed under section 136A.121, a student must:

(1) submit a Free Application for Federal Student Aid (FAFSA);

(2) complete a qualifying program in a high school or in a home-school setting under section 120A.22, graduate from a Minnesota high school, and graduate with an unweighted grade point average of 2.5 or higher;

(3) qualify for a federal Pell Grant or state grant under section 136A.121;

(4) be a United States citizen or eligible noncitizen, as defined in section 484 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended, and Code of Federal Regulations, title 34, section 668.33;

(5) meet satisfactory academic progress as defined under section 136A.101, subdivision 10;

(6) be a Minnesota resident, as defined in section 136A.101, subdivision 8; and

~~(6)~~ (7) enroll full-time in a degree, diploma, or certificate program during the academic year immediately following high school graduation at an eligible institution as defined under section 136A.101, subdivision 4.

Sec. 12. Minnesota Statutes 2008, section 136A.15, subdivision 6, is amended to read:

Subd. 6. **Eligible institution.** "Eligible institution" means ~~a postsecondary educational institution that (1) is operated or regulated by this state or the Board of Regents of the University of Minnesota; (2) is operated publicly or privately in another state, is approved by the United States Secretary of Education, and, as determined by the office, maintains academic standards substantially equal to those of comparable institutions operated in this state; (3) is licensed or registered as a postsecondary institution by the office or another state agency; and (4) by July 1, 2011, is participating in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, as amended. It also includes any institution chartered in a province~~ an institution that meets the eligibility requirements under section 136A.155.

Sec. 13. **[136A.155] ADDITIONAL INSTITUTION ELIGIBILITY REQUIREMENTS.**

A postsecondary institution is an eligible institution for purposes of sections 136A.15 to 136A.1702, if the institution:

(1) meets the eligibility requirements under section 136A.103; or

(2) is operated publicly or privately in another state, is approved by the United States Secretary of Education, and, as determined by the office, maintains academic standards substantially equal to those of comparable institutions operated in this state.

Sec. 14. Minnesota Statutes 2008, section 136A.16, subdivision 14, is amended to read:

Subd. 14. **Notes.** The office may sell at public or private sale, at the price or prices determined by the office, any note or other instrument or obligation evidencing or securing a loan made by the office or its predecessor, including the Minnesota Higher Education Coordinating Board and the Minnesota Higher Education Services Office.

Sec. 15. Minnesota Statutes 2008, section 136A.62, subdivision 3, is amended to read:

Subd. 3. **School.** "School" means:

(1) any partnership, company, firm, society, trust, association, corporation, or any combination thereof, which (i) is, owns, or operates a private, nonprofit postsecondary education institution; (ii) is, owns, or operates a private, for-profit postsecondary education institution; or (iii) provides a postsecondary instructional program or course leading to a degree whether or not for profit;

(2) any public or private postsecondary educational institution located in another state or country which offers or makes available to a Minnesota resident any course, program or educational activity which does not require the leaving of the state for its completion; or

(3) any individual, entity, or postsecondary institution located in another state that contracts with any school located within the state of Minnesota for the purpose of providing educational programs, training programs, or awarding postsecondary credits or continuing education credits to Minnesota residents that may be applied to a degree program.

Sec. 16. Minnesota Statutes 2008, section 136A.645, is amended to read:

**136A.645 SCHOOL CLOSURE.**

(a) When a school decides to cease postsecondary education operations, it must cooperate with the office in assisting students to find alternative means to complete their studies with a minimum of disruption, and inform the office of the following:

(1) the planned date for termination of postsecondary education operations;

(2) the planned date for the transfer of the student records;

(3) confirmation of the name and address of the organization to receive and hold the student records; and

(4) the official at the organization receiving the student records who is designated to provide official copies of records or transcripts upon request.

(b) Upon notice from a school of its intention to cease operations, the office shall notify the school of the date on which it must cease the enrollment of students and all postsecondary educational operations.

Without limitation as to other circumstance, a school shall be deemed to have ceased operations when the school:

(1) has an unscheduled nonemergency closure or cancellation of classes for more than 24 hours without prior notice to the office;

(2) announces it is closed or closing; or

(3) files for bankruptcy.

Sec. 17. Minnesota Statutes 2008, section 136A.646, is amended to read:

**136A.646 ADDITIONAL SECURITY.**

(a) In the event any registered institution is notified by the United States Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), the institution shall provide a surety bond conditioned upon the faithful performance of all contracts and agreements with students in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000.

(b) In lieu of a bond, the applicant may deposit with the commissioner of management and budget:

(1) a sum equal to the amount of the required surety bond in cash; or

(2) securities, as may be legally purchased by savings banks or for trust funds, in an aggregate market value equal to the amount of the required surety bond.

Sec. 18. Minnesota Statutes 2008, section 136F.581, is amended by adding a subdivision to read:

Subd. 5. **Food products grown in state.** Colleges and universities must make a reasonable attempt to identify and purchase food products that are grown within the state.

Sec. 19. Minnesota Statutes 2008, section 141.25, is amended by adding a subdivision to read:

Subd. 2a. **Refunds.** If a contract is deemed unenforceable under subdivision 2, a school must refund tuition, fees, and other charges received from a student or on behalf of a student within 30 days of receiving written notification and demand for refund from the Minnesota Office of Higher Education.

Sec. 20. Minnesota Statutes 2008, section 141.25, subdivision 7, is amended to read:

Subd. 7. **Minimum standards.** A license shall be issued if the office first determines:

(1) that the applicant has a sound financial condition with sufficient resources available to:

- (i) meet the school's financial obligations;
  - (ii) refund all tuition and other charges, within a reasonable period of time, in the event of dissolution of the school or in the event of any justifiable claims for refund against the school by the student body;
  - (iii) provide adequate service to its students and prospective students; and
  - (iv) maintain and support the school;
- (2) that the applicant has satisfactory facilities with sufficient tools and equipment and the necessary number of work stations to prepare adequately the students currently enrolled, and those proposed to be enrolled;
- (3) that the applicant employs a sufficient number of qualified teaching personnel to provide the educational programs contemplated;
- (4) that the school has an organizational framework with administrative and instructional personnel to provide the programs and services it intends to offer;
- (5) that the premises and conditions under which the students work and study are sanitary, healthful, and safe, ~~according to modern standards;~~
- (6) that the quality and content of each occupational course or program of study provides education and adequate preparation to enrolled students for entry level positions in the occupation for which prepared;
- (7) that the living quarters which are owned, maintained, recommended, or approved by the applicant for students are sanitary and safe;
- (8) that the contract or enrollment agreement used by the school complies with the provisions in section 141.265;
- (9) that contracts and agreements do not contain a wage assignment provision or a confession of judgment clause; and
- (10) that there has been no adjudication of fraud or misrepresentation in any criminal, civil, or administrative proceeding in any jurisdiction against the school or its owner, officers, agents, or sponsoring organization.

Sec. 21. Minnesota Statutes 2008, section 141.25, subdivision 13, is amended to read:

Subd. 13. **Schools licensed by another state agency or board.** A school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating in state financial aid under chapter 136A, and which is also licensed by another state agency or board shall be required to satisfy only the requirements of subdivisions 3, clauses (1), (2), (3), (5), (7), and (10); 4; 5, paragraph (b), clause (2); 7, clauses (1) and (10); 8; 9, clause (13); and 12.

Sec. 22. Minnesota Statutes 2008, section 141.251, subdivision 2, is amended to read:

Subd. 2. **Conditions.** The office shall adopt rules establishing the conditions for renewal of a license. The conditions shall permit two levels of renewal based on the record of the school. A school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny. The office shall specify minimum longevity standards and performance indicators that must be met before

a school may be permitted to operate under the relaxed standard of scrutiny. The performance indicators used in this determination shall include, but not be limited to: ~~degree-granting status~~, regional or national accreditation, loan default rates, placement rate of graduates, student withdrawal rates, audit results, student complaints, and school status with the United States Department of Education. Schools that meet the requirements established in rule shall be required to submit a full relicensure report once every four years, and in the interim years will be exempt from the requirements of section 141.25, subdivision 3, clauses (4), (5), and (8), and Minnesota Rules, parts 4880.1700, subpart 6; and 4880.2100, subpart 4.

Sec. 23. Minnesota Statutes 2008, section 141.28, subdivision 2, is amended to read:

Subd. 2. **Unlawful designation.** No school organized after November 15, 1969, shall apply to itself either as a part of its name or in any other manner the designation of "college" or "university" ~~unless such school applies for and receives certification from the office that it meets appropriate standards and is entitled to such designation.~~ Operating schools now using such designation may continue use thereof.

Sec. 24. Minnesota Statutes 2008, section 474A.04, subdivision 6, is amended to read:

Subd. 6. **Entitlement transfers.** An entitlement issuer may enter into an agreement with another entitlement issuer whereby the recipient entitlement issuer issues obligations pursuant to bonding authority allocated to the original entitlement issuer under this section. An entitlement issuer may enter into an agreement with an issuer which is not an entitlement issuer whereby the recipient issuer issues qualified mortgage bonds, up to \$100,000 of which are issued pursuant to bonding authority allocated to the original entitlement issuer under this section. The agreement may be approved and executed by the mayor of the entitlement issuer with or without approval or review by the city council. Notwithstanding section 474A.091, subdivision 4, prior to December 1, the Minnesota Housing Finance Agency, Minnesota Office of Higher Education, and Minnesota Rural Finance Authority may transfer allocated bonding authority made available under this chapter to one another under an agreement by each agency and the commissioner.

Sec. 25. Minnesota Statutes 2008, section 474A.091, subdivision 3, is amended to read:

Subd. 3. **Allocation procedure.** (a) The commissioner shall allocate available bonding authority under this section on the Monday of every other week beginning with the first Monday in August through and on the last Monday in November. Applications for allocations must be received by the department by 4:30 p.m. on the Monday preceding the Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation will be made or the applications must be received by the next business day after the holiday.

(b) Prior to October 1, only the following applications shall be awarded allocations from the unified pool. Allocations shall be awarded in the following order of priority:

- (1) applications for residential rental project bonds;
- (2) applications for small issue bonds for manufacturing projects; and
- (3) applications for small issue bonds for agricultural development bond loan projects.

(c) On the first Monday in October through the last Monday in November, allocations shall be awarded from the unified pool in the following order of priority:

- (1) applications for student loan bonds issued by or on behalf of the Minnesota Office of Higher Education;
- (2) applications for mortgage bonds;

- (3) applications for public facility projects funded by public facility bonds;
- (4) applications for small issue bonds for manufacturing projects;
- (5) applications for small issue bonds for agricultural development bond loan projects;
- (6) applications for residential rental project bonds;
- (7) applications for enterprise zone facility bonds;
- (8) applications for governmental bonds; and
- (9) applications for redevelopment bonds.

(d) If there are two or more applications for manufacturing projects from the unified pool and there is insufficient bonding authority to provide allocations for all manufacturing projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first. If two or more applications for manufacturing projects receive an equal amount of points, available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(e) If there are two or more applications for enterprise zone facility projects from the unified pool and there is insufficient bonding authority to provide allocations for all enterprise zone facility projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first. If two or more applications for enterprise zone facility projects receive an equal amount of points, available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(f) If there are two or more applications for residential rental projects from the unified pool and there is insufficient bonding authority to provide allocations for all residential rental projects in any one allocation period, the available bonding authority shall be awarded in the following order of priority: (1) projects that preserve existing federally subsidized housing; (2) projects that are not restricted to persons who are 55 years of age or older; and (3) other residential rental projects.

(g) From the first Monday in August through the last Monday in November, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the small issue pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the small issue pool for that year, whichever is less, is reserved within the unified pool for small issue bonds to the extent such amounts are available within the unified pool.

(h) The total amount of allocations for mortgage bonds from the housing pool and the unified pool may not exceed:

- (1) \$10,000,000 for any one city; or
- (2) \$20,000,000 for any number of cities in any one county.

(i) The total amount of allocations for student loan bonds from the unified pool may not exceed ~~\$10,000,000~~ \$25,000,000 per year.

(j) If there is insufficient bonding authority to fund all projects within any qualified bond category other than enterprise zone facility projects, manufacturing projects, and residential rental projects, allocations shall be awarded by lot unless otherwise agreed to by the respective issuers.

(k) If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted.

(l) The granting of an allocation of bonding authority under this section must be evidenced by issuance of a certificate of allocation.

Sec. 26. Laws 2009, chapter 95, article 2, section 40, is amended to read:

Sec. 40. **TEACHER EDUCATION REPORT.**

The Minnesota Office of Higher Education and Minnesota Department of Education must report to the committees of the legislature with jurisdiction over teacher education on best practices in innovative teacher education programs and teacher education research. The report must include, at a minimum, information on:

(1) teacher education preparation program curricula that will prepare prospective teachers to teach an increasingly diverse student population;

(2) opportunities for mid-career professionals employed in professions in which there is a shortage of teachers to pursue a teaching career; and

(3) enhancing the ability of teachers to use technology in the classroom.

The report must be submitted by ~~June~~ August 15, 2010.

Sec. 27. Laws 2010, chapter 215, article 2, section 4, subdivision 3, is amended to read:

Subd. 3. **Operations and Maintenance** -0- (9,967,000)

For fiscal years 2012 and 2013, the base for operations and maintenance is ~~\$592,792,000~~ \$580,802,000 each year.

Sec. 28. Laws 2010, chapter 215, article 2, section 6, the effective date, is amended to read:

**EFFECTIVE DATE.** This section is effective ~~the day following final enactment~~ for grants made on and after July 1, 2010.

Sec. 29. **STUDY OF CERTIFICATES AND DIPLOMAS; EDUCATIONAL CAREER PATH.**

The Board of Trustees of Minnesota State Colleges and Universities, in conjunction with the Minnesota Chamber of Commerce, representatives of industry groups, and labor unions, shall study the program requirements for certificates and diplomas awarded by the Minnesota State Colleges and Universities to determine the feasibility of designing technical education programs to allow students to have more opportunities to earn credentials with lower credit requirements that could be combined into higher level certificates or diplomas. The study must consult with business and industry representatives as well as labor unions and faculty on the types of credentials that would be recognized for employment purposes. In addition, the study must address the feasibility of increasing the capacity to accumulate credentials in related programs into an educational career path leading to a diploma or degree. The study must also address the need for workers in other fields and take into account other job training programs provided by labor unions and business.

The board must report the study findings to the committees of the legislature with responsibility for postsecondary education finance by February 15, 2011.

Sec. 30. **STREAMLINED MINNESOTA STATE COLLEGES AND UNIVERSITIES SYSTEM OFFICE.**

Notwithstanding any law or policy to the contrary, the Board of Trustees of Minnesota State Colleges and Universities shall streamline services provided through the system's central service office to reduce expenditures, better target the use of state resources, and provide services at the most appropriate and efficient level so as not to duplicate any services provided at the institutional level. These actions must be implemented so as to achieve budgetary savings and efficiencies in delivery of services and the accomplishment of the academic mission. The board must revise any board policies in a way that is consistent with the requirements of this section.

Sec. 31. **POSTRETIREMENT HEALTH INSURANCE PREMIUM REIMBURSEMENT.**

The Minnesota State Colleges and Universities system shall waive premium reimbursement payments including any late payment charges, fees, penalties, or interest payments imposed on overdue health insurance premium reimbursements owed by a college retiree to the college under a contractual or collective bargaining agreement providing for postretirement health insurance benefits arising from employment under a contract or collective bargaining agreement with a school district or technical college prior to July 1, 1995, and who became an employee of Minnesota State Colleges and Universities on July 1, 1995. This section applies only if the college has failed to bill the retiree for the premium reimbursement payments as required under the applicable collective bargaining or contractual agreement, or if not otherwise established, within 90 days following the date on which the premium was due.

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

Sec. 32. **SURGICAL TECHNOLOGISTS PILOT PROJECT.**

Subdivision 1. **Surgical technologists; training and employment pilot project.** The Board of Trustees of Minnesota State Colleges and Universities shall establish a pilot project to develop partnerships and training and employment opportunities for surgical technologists. The pilot project must develop partnerships between a health care facility located within 25 miles of an accredited surgical technologist program offered by a Minnesota State Colleges and Universities institution and the institution. The partnerships must promote the employment and retention of surgical technologists, working in accordance with law, regulations, including Code of Federal Regulations, title 42, section 482.51, and contract provisions, who have successfully completed an accredited educational program and who hold and maintain a certified surgical technology credential from a nationally recognized and accredited surgical technologist certifying body.

This subdivision expires June 30, 2014.

Subd. 2. **Report.** The board of trustees shall report on the pilot project under this section to the appropriate legislative chairs by January 1, 2013, with recommendations to enhance surgical technologist training and to ensure an adequate supply of surgical technologist graduates to meet the needs of facilities.

Sec. 33. **PILOT PROJECT; LOCAL DEPOSIT OF RESERVES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

Subdivision 1. **Establishment.** To increase the distribution of potential economic benefit of deposits of reserve funds of the institutions of Minnesota State Colleges and Universities, a pilot project is established to transfer certain reserve deposits of selected institutions from the state treasury to a community financial institution. Notwithstanding Minnesota Statutes, section 16A.27, by January 2, 2011, the commissioner of management and budget shall transfer the specified amount of board-required reserve funds of colleges and universities selected by the board of trustees under subdivision 2, to a community financial institution designated for each of the participating colleges and universities.

Subd. 2. **Participating colleges and universities.** By August 15, 2010, colleges and universities may apply to the Board of Trustees of Minnesota State Colleges and Universities for participation in the pilot project. Each applicant must designate one or more community financial institutions for the deposit of a specified amount of board-required reserves, with the terms of the deposit for each designated community financial institution. The designated community financial institution must be located in the geographic area of a participating campus. From the applicants, the board shall select up to eight postsecondary institutions to participate in the local deposit pilot project. In making its selection, the board must consider the size of the institution's reserves and the terms offered by the designated community financial institutions. Unless there are not sufficient applicants, two-year and four-year institutions must be selected to participate in the pilot project and the majority of the selected institutions must be located in greater Minnesota.

By December 1, 2010, the board must notify the commissioner of management and budget of the participating colleges and universities, the deposit amount for each institution and the associated community financial institutions. The pilot project shall provide for the transfer of deposits for no more than the period January 2, 2011, to December 31, 2012.

Subd. 3. **Community financial institution.** As used in this section, "community financial institution" means a federally insured bank or credit union, chartered as a bank or credit union by the state of Minnesota or the United States, that is headquartered in Minnesota and that has no more than \$2,500,000,000 in assets.

Subd. 4. **Evaluation and report.** The commissioner of management and budget and the board of trustees shall independently evaluate the effectiveness or harm of the local deposit pilot project in increasing the use of community financial institutions and providing wider distribution of the economic benefit of the deposit of postsecondary reserves. Each evaluation must include the participating colleges, universities, and community financial institutions. The commissioner of management and budget and the board shall report on the pilot project evaluation to the appropriate committees of the legislature by February 1, 2013, with recommendations on the future implementation of the pilot project.

#### Sec. 34. **NANOTECHNOLOGY REPORT.**

By February 1, 2011, the Board of Regents of the University of Minnesota are requested to, and the Board of Trustees of the Minnesota State Colleges and Universities shall, study nanotechnology research and education and report to the committees of the legislature with responsibility for higher education, economic development, environment, and public health on the ethical issues and the principles for nanotechnology research and development and education they utilize in their institutions and nanotechnology initiatives. The report must assess ways they ensure that nanotechnology is used responsibly through standards and guidelines that protect public health and the environment and provide for occupational health and safety.

#### Sec. 35. **FEDERAL HEALTH CARE REFORM.**

The regents of the University of Minnesota are requested to direct the area health education centers to conduct public education related to the provisions of federal health care reform legislation, as enacted under the Patient Protection and Affordable Care Act, Public Law 111-148, and the Health Care and Education Reconciliation Act, Public Law 111-152, and the potential impacts of federal health care reform to Minnesota citizens, employers, and health care providers.

#### Sec. 36. **MONITORING OF FEDERAL POSTSECONDARY TEXTBOOK DISCLOSURE LAW.**

The Office of Higher Education shall monitor the implementation of the Higher Education Opportunity Act, Public Law 110-315, as it relates to disclosure of textbook pricing and other information to students. The monitoring shall be done in a manner that the office determines will allow it to determine whether students are

receiving information required or encouraged to be disclosed to students under the act. The office shall report the results of its monitoring along with any recommendations for legislation to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education finance and policy by February 1, 2011.

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

Sec. 37. **REDUCTION IN GRANTS FOR INSUFFICIENT APPROPRIATIONS.**

In fiscal year 2011, the dollar amount reductions in state grants under Minnesota Statutes, section 136A.121, subdivision 7, may be approximately equal for the surcharge on family responsibility and the percentage increase on the assigned student responsibility. The Minnesota Office of Higher Education may reserve up to five percent of the projected demand for grant awards in fiscal year 2011 to manage uncertainty of demand based on enrollment or income changes of applicants. After reduced grant awards are made for fiscal year 2011, the office must distribute any remaining funds to increase the living and miscellaneous expenses allowance consistent with the office's distribution of surplus appropriations under Minnesota Statutes, section 136A.121, subdivision 7a; provided that if the office determines that the remaining funds are less than \$1,500,000 the office may, in lieu of increasing the allowance, transfer all of the remaining funds to the state work-study program.

Sec. 38. **CREDIT TRANSFER; MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

(a) The Board of Trustees of the Minnesota State Colleges and Universities must develop and implement a plan to improve credit transfers within the system. At a minimum, the board must:

(1) enhance information on transferring and tracking credits;

(2) improve training for all staff involved with credit transfer;

(3) identify discrepancies in transferring and accepting credits by institutions within the system and devise methods to improve the uniform treatment of credit transfers; and

(4) require, to the extent feasible, institutional rather than student obligation to provide prompt required documentation for course equivalency determinations.

(b) The board may convene working groups of affected faculty, staff, students, and administrators representing institutions and academic and technical disciplines in the system to work on issues and barriers to credit transfer.

(c) The board must provide systemwide transfer information on the Internet that is easily accessible and maintained in a current and accurate status. Each system college and university shall post information necessary to determine the transferability of course credits on their institutional Web sites. The working groups must develop a template to be used by the colleges and universities to ensure consistency in the information available to students. The links to each institution's informational Web site shall be submitted to the office of the chancellor for publication on the MinnesotaTransfer.org Web site.

(d) The board shall report on February 15, 2011, and annually thereafter through 2014, on its activities to achieve the credit transfer goals in this section and the results of those activities. The report shall be made to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The goals of this section should be fully achieved as soon as possible, but no later than the start of the 2015-2016 academic year."

Delete the title and insert:

"A bill for an act relating to higher education; authorizing data matching; modifying institution eligibility; establishing award procedures; establishing scholarship priorities; establishing powers and duties; providing for school closures; modifying security requirements; regulating the use of certain revenues; providing for refunds; modifying licensure provisions related to certain schools; providing for certain bond transfers and allocations; reducing appropriation base for MNSCU operations and maintenance; requiring MNSCU to streamline services; allowing certain postretirement health insurance premium reimbursement; allowing reserve of grant funds; establishing pilot projects; defining terms; making technical corrections; requiring studies, reports, monitoring, and public education; governing reductions in grants; providing for credit transfer improvements; amending Minnesota Statutes 2008, sections 135A.15, subdivision 1; 135A.155; 135A.51, subdivision 2; 136A.101, subdivision 10; 136A.126, subdivision 1, by adding a subdivision; 136A.15, subdivision 6; 136A.16, subdivision 14; 136A.62, subdivision 3; 136A.645; 136A.646; 136F.581, by adding a subdivision; 141.25, subdivisions 7, 13, by adding a subdivision; 141.251, subdivision 2; 141.28, subdivision 2; 474A.04, subdivision 6; 474A.091, subdivision 3; Minnesota Statutes 2009 Supplement, sections 136A.01, subdivision 2; 136A.101, subdivision 4; 136A.127, subdivisions 2, 4; Laws 2009, chapter 95, article 2, section 40; Laws 2010, chapter 215, article 2, sections 4, subdivision 3; 6; proposing coding for new law in Minnesota Statutes, chapter 136A."

We request the adoption of this report and repassage of the bill.

Senate Conferees: SANDRA PAPPAS. CLAIRE ROBLING and RON LATZ.

House Conferees: TOM RUKAVINA, ROGER REINERT and CAROL MCFARLANE.

Rukavina moved that the report of the Conference Committee on S. F. No. 184 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 184, A bill for an act relating to higher education; authorizing data matching; modifying institution eligibility; establishing award procedures; establishing scholarship priorities; establishing powers and duties; modifying security requirements; regulating the use of certain revenues; providing for refunds; defining terms; making technical corrections; amending Minnesota Statutes 2008, sections 136A.101, subdivision 10; 136A.126, subdivision 1, by adding a subdivision; 136A.127, subdivision 6, by adding subdivisions; 136A.15, subdivision 6; 136A.16, subdivision 14; 136A.62, subdivision 3; 136A.645; 136A.646; 136A.65, by adding a subdivision; 136F.581, by adding a subdivision; 141.25, subdivisions 7, 13, by adding a subdivision; 141.251, subdivision 2; 141.28, subdivision 2; Minnesota Statutes 2009 Supplement, sections 136A.01, subdivision 2; 136A.101, subdivision 4; 136A.127, subdivisions 2, 4; 299A.45, subdivision 1; 340A.404, subdivision 4a; Laws 2009, chapter 95, article 2, section 40; Laws 2010, chapter 215, article 2, sections 4, subdivision 3; 6; proposing coding for new law in Minnesota Statutes, chapters 136A; 137.

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.

Pursuant to rule 2.05, Downey was excused from voting on the repassage of S. F. No. 184, as amended by Conference.

There were 113 yeas and 17 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Drazkowski	Hackbarth	Liebling	Sanders	Welti
Buesgens	Emmer	Holberg	Norton	Severson	Zellers
Dean	Garofalo	Kohls	Peppin	Shimanski	

The bill was repassed, as amended by Conference, 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:

S. F. No. 863.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 863

A bill for an act relating to data practices; classifying government data; modifying provisions governing temporary classifications and personnel data; amending business screening services provisions; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding

subdivisions; 13.43, subdivisions 1, 2, by adding subdivisions; 13.64; 13.643, by adding a subdivision; 13.7931, by adding a subdivision; 13.87, by adding a subdivision; 13.871, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 270B.14, subdivision 16; 299C.156, subdivision 5; 332.70, subdivisions 1, 2, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 13; 84; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800.

May 12, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 863 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 863 be further amended as follows:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### GENERAL PROVISIONS

Section 1. Minnesota Statutes 2008, section 13.05, subdivision 4, is amended to read:

Subd. 4. **Limitations on collection and use of data.** Private or confidential data on an individual shall not be collected, stored, used, or disseminated by government entities for any purposes other than those stated to the individual at the time of collection in accordance with section 13.04, except as provided in this subdivision.

(a) Data collected prior to August 1, 1975, and which have not been treated as public data, may be used, stored, and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.

(b) Private or confidential data may be used and disseminated to individuals or entities specifically authorized access to that data by state, local, or federal law enacted or promulgated after the collection of the data.

(c) Private or confidential data may be used and disseminated to individuals or entities subsequent to the collection of the data when the responsible authority maintaining the data has requested approval for a new or different use or dissemination of the data and that request has been specifically approved by the commissioner as necessary to carry out a function assigned by law.

(d) Private data may be used by and disseminated to any person or entity if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner. ~~The format for informed consent is as follows, unless otherwise prescribed by the HIPAA, Standards for Privacy of Individually Identifiable Health Information, 65 Fed. Reg. 82, 461 (2000) (to be codified as Code of Federal Regulations, title 45, section 164): informed consent shall not be deemed to have been given by an individual subject of the data by the signing of any statement authorizing any person or entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:~~

~~(1) in plain language;~~

~~(2) dated;~~

~~(3) specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;~~

~~(4) specific as to the nature of the information the subject is authorizing to be disclosed;~~

~~(5) specific as to the persons or entities to whom the subject is authorizing information to be disclosed;~~

~~(6) specific as to the purpose or purposes for which the information may be used by any of the parties named in clause (5), both at the time of the disclosure and at any time in the future;~~

~~(7) specific as to its expiration date which should be within a reasonable period of time, not to exceed one year except in the case of authorizations given in connection with applications for (i) life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy or (ii) medical assistance under chapter 256B or MinnesotaCare under chapter 256L, which shall be ongoing during all terms of eligibility, for individual education plan health related services provided by a school district under section 125A.21, subdivision 2.~~

The responsible authority may require a person requesting copies of data under this paragraph to pay the actual costs of making, and certifying, ~~and compiling~~ the copies.

(e) Private or confidential data on an individual may be discussed at a meeting open to the public to the extent provided in section 13D.05.

Sec. 2. Minnesota Statutes 2008, section 13.05, is amended by adding a subdivision to read:

Subd. 4a. **Informed consent for insurance purposes.** Informed consent for insurance purposes must comply with this subdivision, unless otherwise prescribed by the HIPAA Standards for Privacy of Individually Identifiable Health Information, Code of Federal Regulations, title 45, section 164. Informed consent for insurance purposes is not considered to have been given by an individual subject of data by the signing of a statement authorizing a government entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:

(1) in plain language;

(2) dated;

(3) specific in designating the government entity the data subject is authorizing to disclose information about the data subject;

(4) specific as to the nature of the information the data subject is authorizing to be disclosed;

(5) specific as to the persons to whom the data subject is authorizing information to be disclosed;

(6) specific as to the purpose or purposes for which the information may be used by any of the persons named in clause (5), both at the time of the disclosure and at any time in the future; and

(7) specific as to its expiration date, which must be within a reasonable period of time, not to exceed one year.

Notwithstanding clause (7), in the case of authorizations given in connection with applications for life insurance or noncancelable or guaranteed renewable health insurance that is so identified, the expiration date must not exceed two years after the date of the policy. An authorization in connection with medical assistance under chapter 256B or MinnesotaCare under chapter 256L or for individual education plan health-related services provided by a school district under section 125A.21, subdivision 2, is valid during all terms of eligibility.

Sec. 3. Minnesota Statutes 2008, section 13.43, subdivision 1, is amended to read:

Subdivision 1. **Definition.** As used in this section, "personnel data" means government data on individuals ~~collected~~ maintained because the individual is or was an employee of or an applicant for employment by, performs services on a voluntary basis for, or acts as an independent contractor with a government entity. Personnel data includes data submitted by an employee to a government entity as part of an organized self-evaluation effort by the government entity to request suggestions from all employees on ways to cut costs, make government more efficient, or improve the operation of government. An employee who is identified in a suggestion shall have access to all data in the suggestion except the identity of the employee making the suggestion.

Sec. 4. Minnesota Statutes 2008, section 13.43, subdivision 2, is amended to read:

Subd. 2. **Public data.** (a) Except for employees described in subdivision 5 and subject to the limitations described in subdivision 5a, the following personnel data on current and former employees, volunteers, and independent contractors of a government entity is public:

(1) name; employee identification number, which must not be the employee's Social Security number; actual gross salary; salary range; terms and conditions of employment relationship; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; and the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary;

(2) job title and bargaining unit; job description; education and training background; and previous work experience;

(3) date of first and last employment;

(4) the existence and status of any complaints or charges against the employee, regardless of whether the complaint or charge resulted in a disciplinary action;

(5) the final disposition of any disciplinary action together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the public body;

(6) the terms of any agreement settling any dispute arising out of an employment relationship, including a buyout agreement as defined in section 123B.143, subdivision 2, paragraph (a); except that the agreement must include specific reasons for the agreement if it involves the payment of more than \$10,000 of public money;

(7) work location; a work telephone number; badge number; work-related continuing education; and honors and awards received; and

(8) payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data.

(b) For purposes of this subdivision, a final disposition occurs when the government entity makes its final decision about the disciplinary action, regardless of the possibility of any later proceedings or court proceedings. ~~In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement.~~ Final disposition includes a resignation by an individual when the resignation occurs after the final decision of the government entity, or arbitrator. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement. A disciplinary action does not become public data if an arbitrator sustains a grievance and reverses all aspects of any disciplinary action.

(c) The government entity may display a photograph of a current or former employee to a prospective witness as part of the government entity's investigation of any complaint or charge against the employee.

(d) A complainant has access to a statement provided by the complainant to a government entity in connection with a complaint or charge against an employee.

(e) Notwithstanding paragraph (a), clause (5), upon completion of an investigation of a complaint or charge against a public official, or if a public official resigns or is terminated from employment while the complaint or charge is pending, all data relating to the complaint or charge are public, unless access to the data would jeopardize an active investigation or reveal confidential sources. For purposes of this paragraph, "public official" means:

- (1) the head of a state agency and deputy and assistant state agency heads;
- (2) members of boards or commissions required by law to be appointed by the governor or other elective officers; and
- (3) executive or administrative heads of departments, bureaus, divisions, or institutions within state government.

Sec. 5. Minnesota Statutes 2009 Supplement, section 13.64, is amended to read:

**13.64 ~~DEPARTMENT OF~~ ADMINISTRATION; MANAGEMENT AND BUDGET DATA.**

Subdivision 1. Department of Management and Budget. (a) Notes and preliminary drafts of reports created, collected, or maintained by the Management Analysis Division, Department of Management and Budget, and prepared during management studies, audits, reviews, consultations, or investigations are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued.

(b) Data that support the conclusions of the report and that the commissioner of management and budget reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued.

(c) Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if:

- (1) the data supplied by the individual were needed for a report; and
- (2) the data would not have been provided to the Management Analysis Division without an assurance to the individual that the individual's identity would remain private, or the Management Analysis Division reasonably believes that the individual would not have provided the data.

Subd. 2. **Department of Administration.** Security features of building plans, building specifications, and building drawings of state-owned facilities and nonstate-owned facilities leased by the state are classified as nonpublic data when maintained by the Department of Administration and may be shared with anyone as needed to perform duties of the commissioner.

Sec. 6. Minnesota Statutes 2008, section 13.792, is amended to read:

**13.792 PRIVATE DONOR GIFT DATA.**

The following data maintained by the Minnesota Zoological Garden, the University of Minnesota, the Minnesota State Colleges and Universities, the Regional Parks Foundation of the Twin Cities, State Services for the Blind, and any related entity subject to chapter 13 are classified as private or nonpublic:

(1) research information about prospects and donors gathered to aid in determining appropriateness of solicitation and level of gift request;

(2) specific data in prospect lists that would identify prospects to be solicited, dollar amounts to be requested, and name of solicitor;

(3) portions of solicitation letters and proposals that identify the prospect being solicited and the dollar amount being requested;

(4) letters, pledge cards, and other responses received from donors regarding prospective gifts in response to solicitations;

(5) portions of thank-you letters and other gift acknowledgment communications that would identify the name of the donor and the specific amount of the gift, pledge, or pledge payment;

(6) donor financial or estate planning information, or portions of memoranda, letters, or other documents commenting on any donor's financial circumstances; and

(7) data detailing dates of gifts, payment schedule of gifts, form of gifts, and specific gift amounts made by donors.

Names of donors and gift ranges are public data.

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

Sec. 7. Minnesota Statutes 2008, section 13.87, is amended by adding a subdivision to read:

Subd. 5. **Parole and probation authority access to records.** Parole and county probation authorities may access data identified in subdivision 2 on an applicant or permit holder who is subject to the supervision of that parole or county probation authority.

Sec. 8. Minnesota Statutes 2008, section 13D.05, subdivision 3, is amended to read:

**Subd. 3. What meetings may be closed.** (a) A public body may close a meeting to evaluate the performance of an individual who is subject to its authority. The public body shall identify the individual to be evaluated prior to closing a meeting. At its next open meeting, the public body shall summarize its conclusions regarding the evaluation. A meeting must be open at the request of the individual who is the subject of the meeting.

(b) Meetings may be closed if the closure is expressly authorized by statute or permitted by the attorney-client privilege.

(c) A public body may close a meeting:

- (1) to determine the asking price for real or personal property to be sold by the government entity;
- (2) to review confidential or protected nonpublic appraisal data under section 13.44, subdivision 3; and
- (3) to develop or consider offers or counteroffers for the purchase or sale of real or personal property.

Before holding a closed meeting under this paragraph, the public body must identify on the record the particular real or personal property that is the subject of the closed meeting. The proceedings of a meeting closed under this paragraph must be tape recorded at the expense of the public body. The recording must be preserved for eight years after the date of the meeting and made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the governing body has abandoned the purchase or sale. The real or personal property that is the subject of the closed meeting must be specifically identified on the tape. A list of members and all other persons present at the closed meeting must be made available to the public after the closed meeting. If an action is brought claiming that public business other than discussions allowed under this paragraph was transacted at a closed meeting held under this paragraph during the time when the tape is not available to the public, section 13D.03, subdivision 3, applies.

An agreement reached that is based on an offer considered at a closed meeting is contingent on approval of the public body at an open meeting. The actual purchase or sale must be approved at an open meeting after the notice period required by statute or the governing body's internal procedures, and the purchase price or sale price is public data.

(d) Meetings may be closed to receive security briefings and reports, to discuss issues related to security systems, to discuss emergency response procedures and to discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities, if disclosure of the information discussed would pose a danger to public safety or compromise security procedures or responses. Financial issues related to security matters must be discussed and all related financial decisions must be made at an open meeting. Before closing a meeting under this paragraph, the public body, in describing the subject to be discussed, must refer to the facilities, systems, procedures, services, or infrastructures to be considered during the closed meeting. A closed meeting must be tape recorded at the expense of the governing body, and the recording must be preserved for at least four years.

Sec. 9. Minnesota Statutes 2008, section 16B.97, is amended by adding a subdivision to read:

Subd. 5. **Data classification.** Data maintained by the commissioner that identify a person providing comments to the commissioner under subdivision 4, paragraph (a), clauses (6) and (7), are private and nonpublic data but may be shared with the executive agency that is the subject of the comments.

Sec. 10. Minnesota Statutes 2008, section 125A.21, subdivision 5, is amended to read:

Subd. 5. **Informed consent.** When obtaining informed consent, consistent with sections 13.05, subdivision 4, ~~paragraph (d) 4a;~~ and 256B.77, subdivision 2, paragraph (p), to bill health plans for covered services, the school district must notify the legal representative (1) that the cost of the person's private health insurance premium may increase due to providing the covered service in the school setting, (2) that the school district may pay certain enrollee health plan costs, including but not limited to, co-payments, coinsurance, deductibles, premium increases or other enrollee cost-sharing amounts for health and related services required by an individual service plan, or individual family service plan, and (3) that the school's billing for each type of covered service may affect service limits and prior authorization thresholds. The informed consent may be revoked in writing at any time by the person authorizing the billing of the health plan.

Sec. 11. Minnesota Statutes 2008, section 179A.04, subdivision 3, is amended to read:

Subd. 3. **Other duties.** (a) The commissioner shall:

(1) provide mediation services as requested by the parties until the parties reach agreement, and may continue to assist parties after they have submitted their final positions for interest arbitration;

(2) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(3) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner;

(4) conduct elections;

(5) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;

(6) adopt rules relating to the administration of this chapter and the conduct of hearings and elections;

(7) receive, catalogue, file, and make available to the public all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions to the extent the decision is public under section 13.43, subdivision 2, paragraph (b), and the commissioner's orders and decisions;

(8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of section 179A.20, subdivision 4, that is available to any employee in a unit not covered by a contractual grievance procedure;

(9) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;

(10) collect fees established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges. Arbitrator application fees will be \$100 per year for initial applications and renewals effective July 1, 2007;

(11) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;

(12) provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4; and

(13) maintain a list of up to 60 arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes. Each person on the list must be knowledgeable about collective bargaining and labor relations in the public sector, well versed in state and federal labor law, and experienced in and knowledgeable about labor arbitration. To the extent practicable, the commissioner shall appoint members to the list so that the list is gender and racially diverse.

(b) From the names provided by representative organizations, the commissioner shall maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 122A.40 or 122A.41. The persons on the list must meet at least one of the following requirements:

(1) be a former or retired judge;

(2) be a qualified arbitrator on the list maintained by the bureau;

(3) be a present, former, or retired administrative law judge; or

(4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, education Minnesota shall provide a list of up to 14 names and the Minnesota School Boards Association a list of up to 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list.

**EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to decisions issued on or after that date.

Sec. 12. **REPEALER.**

(a) Minnesota Statutes 2008, section 13.06, subdivision 2, is repealed.

(b) Minnesota Rules, part 1205.1800, is repealed.

ARTICLE 2

TEMPORARY CLASSIFICATIONS

Section 1. Minnesota Statutes 2008, section 13.06, subdivision 1, is amended to read:

Subdivision 1. **Application to commissioner.** (a) Notwithstanding the provisions of section 13.03, the responsible authority of a government entity may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as nonpublic or protected nonpublic, for its own use and for the use of other similar government entities on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

(b) Upon ~~the filing receipt by the commissioner~~ of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, rejected, or granted by the commissioner, whichever is earlier.

(c) If the commissioner determines that an application has been submitted for purposes not consistent with this section, the commissioner may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner.

Sec. 2. Minnesota Statutes 2008, section 13.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application for ~~nonpublic or nonpublic protected data~~.** An application for temporary classification of government data ~~not on individuals~~ shall include and the applicant shall have the burden of clearly establishing that no statute currently exists which either allows or forbids classification as ~~nonpublic or protected nonpublic~~ not public; and ~~either one or more of the following~~:

(1) that data similar to that for which the temporary classification is sought ~~has have been treated classified as nonpublic or protected nonpublic not public~~ by other government entities, ~~and by the public~~; or

(2) public access to the data would render unworkable a program authorized by law;~~or,~~

~~(3) The applicant must also clearly establish~~ that a compelling need exists for immediate temporary classification, which if not granted could adversely affect the health, safety or welfare of the public, or the data subject's well-being or reputation.

Sec. 3. Minnesota Statutes 2008, section 13.06, subdivision 4, is amended to read:

Subd. 4. **Procedure when classification affects others.** If the commissioner determines that an application for temporary classification involves data which would reasonably be classified in the same manner by all government entities similar to the one which made the application, the commissioner may approve or disapprove the classification for data of the kind which is the subject of the application for the use of all government entities similar to the applicant. If requested in the application, the commissioner may also determine that the data classification affects similar government entities. On deeming this approach advisable, the commissioner shall provide notice of the proposed action by publication in the State Register within ~~ten~~ 15 days of receiving the application. Within 30 days after publication in the State Register an affected government entity or the public may submit comments on the ~~commissioner's proposal~~ application. The commissioner shall consider any comments received when granting or denying a classification for data of the kind which is the subject of the application, for the use of all government entities similar to the applicant. Within 45 days after the close of the period for submitting comment, the commissioner shall grant or disapprove the application. Applications processed under this subdivision shall be either approved or disapproved by the commissioner within 90 days of the receipt of the application. For purposes of subdivision 1, the data which is the subject of the classification shall be deemed to be classified as set forth in the application for a period of 90 days, or until the application is disapproved or granted by the commissioner, whichever is earlier. ~~If requested in the application, or determined to be necessary by the commissioner, the data in the application shall be so classified for all government entities similar to the applicant until the application is disapproved or granted by the commissioner, whichever is earlier.~~ Proceedings after the grant or disapproval shall be governed by the provisions of subdivision 5.

Sec. 4. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 4a. **Withdrawal of application.** Except when an application is processed under subdivision 4, an application may be withdrawn by the responsible authority prior to the commissioner granting or disapproving the temporary classification. The responsible authority shall notify the commissioner in writing of the entity's intent to withdraw the application. The written withdrawal must state the reason the temporary classification is no longer necessary and must be signed by the responsible authority.

Sec. 5. Minnesota Statutes 2008, section 13.06, subdivision 5, is amended to read:

Subd. 5. **Determination.** (a) The commissioner shall either grant or disapprove the application for temporary classification within 45 days after it is ~~filed~~ received by the commissioner. On disapproving an application, the commissioner shall set forth in detail reasons for the disapproval, and shall include a statement of belief as to what classification is appropriate for the data which is the subject of the application. Twenty days after the date ~~of the~~ responsible authority receives the commissioner's disapproval of an application, the data which is the subject of the application shall become public data, unless the responsible authority submits an amended application for temporary classification which requests the classification deemed appropriate by the commissioner in the statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 20 days or until the amended application is granted or disapproved by the commissioner, whichever is earlier. The commissioner shall either grant or disapprove the amended application within 20 days after it is filed. Five working days after the date ~~of the~~ responsible authority receives the commissioner's disapproval of the amended application, the data which is the subject of the application shall become public data. No more than one amended application may be submitted for any single file or system.

(b) If the commissioner grants an application for temporary classification under this section, it shall become effective immediately, and the complete record relating to the application shall be submitted to the attorney general, who shall review the classification as to form and legality. Within 25 days after receipt of the record, the attorney general shall approve the classification, disapprove a classification as confidential or protected nonpublic but approve a classification as private or nonpublic, or disapprove the classification. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data five working days after the date of the attorney general's disapproval.

Sec. 6. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 6a. **Data use and dissemination.** During the period of the temporary classification, a responsible authority may request approval from the commissioner for a new or different use or dissemination of the data as provided in section 13.05, subdivision 4, for any data temporarily classified under this section.

Sec. 7. Minnesota Statutes 2008, section 13.06, subdivision 7, is amended to read:

Subd. 7. **Legislative consideration of temporary classifications; expiration.** On or before January 15 of each year, the commissioner shall submit all temporary classifications in effect on January 1 in bill form to the legislature. The temporary classification expires ~~June~~ August 1 of the year following its submission to the legislature."

Delete the title and insert:

"A bill for an act relating to data practices; classifying government data; requiring informed consent; amending definitions; allowing disclosure of certain data; authorizing access to certain records; making technical changes; modifying provisions governing temporary classifications and personnel data; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2; 13.792; 13.87, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 179A.04, subdivision 3; Minnesota Statutes 2009 Supplement, section 13.64; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800."

We request the adoption of this report and repassage of the bill.

Senate Conferees: MARY OLSON, WARREN LIMMER and MEE MOUA.

House Conferees: JOE MULLERY, SHELDON JOHNSON and MARY LIZ HOLBERG.

Mullery moved that the report of the Conference Committee on S. F. No. 863 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 863, A bill for an act relating to data practices; classifying government data; modifying provisions governing temporary classifications and personnel data; amending business screening services provisions; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2, by adding subdivisions; 13.64; 13.643, by adding a subdivision; 13.7931, by adding a subdivision; 13.87, by adding a subdivision; 13.871, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 270B.14, subdivision 16; 299C.156, subdivision 5; 332.70, subdivisions 1, 2, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 13; 84; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800.

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.

Sertich moved that those not voting be excused from voting. The motion prevailed.

There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by Conference, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2598 and 3063.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2598, A bill for an act relating to education; clarifying legislative intent; modifying provisions related to nonpublic schools, home schools, and charter schools; adding language to the collaborative urban educator appropriation; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 120A.22, subdivision 11; 120A.24; 121A.15, subdivision 8; 123B.42, subdivision 1; 123B.44, subdivision 1; 127A.45, by adding a subdivision; 171.05, subdivision 2; 171.17, subdivision 1; 171.22, subdivision 1; 181A.05, subdivision 1; Laws 2009, chapter 96, article 2, section 67, subdivision 14; repealing Minnesota Statutes 2008, section 120A.26, subdivisions 1, 2.

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

S. F. No. 3063, A bill for an act relating to education finance; permitting fund transfers for certain school districts; limiting a levy; adjusting the alternative facilities bonding and levy program to eliminate aid for certain districts; allowing Independent School District No. 284, Wayzata, and Independent School District No. 2134, United South Central, to participate in alternative facilities bonding and levy program in fiscal year 2013 and later; amending Minnesota Statutes 2008, section 126C.40, subdivision 1; Laws 1999, chapter 241, article 4, section 25.

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

### CALENDAR FOR THE DAY

S. F. No. 3145, A bill for an act relating to public safety; establishing use of weight of fluid used in a water pipe when determining weight or amount of controlled substance; amending Minnesota Statutes 2008, sections 152.01, subdivisions 9a, 16; 152.021, subdivision 2; 152.022, subdivision 2; 152.023, subdivision 2.

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 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Emmer                      Westrom

The bill was passed and its title agreed to.

S. F. No. 2773 was reported to the House.

Bigham moved to amend S. F. No. 2773, the first engrossment, as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2008, section 152.02, subdivision 5, is amended to read:

Subd. 5. **Schedule IV.** The following items are listed in Schedule IV: Barbitol; Butorphanol; Carisoprodol; Chloral betaine; Chloral hydrate; Chlordiazepoxide; Clonazepam; Clorazepate; Diazepam; Diethylpropion; Ethchlorvynol; Ethinamate; Fenfluramine; Flurazepam; Mebutamate; Methohexital; Meprobamate except when in combination with the following drugs in the following or lower concentrations: conjugated estrogens, 0.4 mg; tridihexethyl chloride, 25mg; pentaerythritol tetranitrate, 20 mg; Methylphenobarbital; Oxazepam; Paraldehyde; Pemoline; Petrichloral; Phenobarbital; ~~and~~ Phentermine; and Tramadol.

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

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 Bigham amendment and the roll was called. There were 24 yeas and 107 nays as follows:

Those who voted in the affirmative were:

Bigham	Falk	Hilty	Lesch	Norton	Simon
Carlson	Faust	Jackson	Liebling	Otremba	Ward
Dill	Hausman	Kahn	Murphy, E.	Paymar	Winkler
Doty	Hilstrom	Knuth	Newton	Persell	Spk. Kelliher

Those who voted in the negative were:

Abeler	Clark	Gardner	Hosch	Lieder	Murdock
Anderson, B.	Cornish	Garofalo	Howes	Lillie	Murphy, M.
Anderson, P.	Davnie	Gottwalt	Huntley	Loeffler	Nelson
Anderson, S.	Dean	Greiling	Johnson	Loon	Nornes
Anzelc	Demmer	Gunther	Juhnke	Mack	Obermueller
Atkins	Dettmer	Hackbarth	Kalin	Mahoney	Olin
Benson	Dittrich	Hamilton	Kath	Mariani	Pelowski
Bly	Doepke	Hansen	Kelly	Marquart	Peppin
Brod	Downey	Haws	Kiffmeyer	Masin	Peterson
Brown	Drazkowski	Hayden	Koenen	McFarlane	Poppe
Brynaert	Eastlund	Holberg	Kohls	McNamara	Reinert
Buesgens	Eken	Hoppe	Laine	Morgan	Rosenthal
Bunn	Emmer	Hornstein	Lanning	Morrow	Rukavina
Champion	Fritz	Hortman	Lenczewski	Mullery	Ruud

Sailer	Seifert	Slawik	Sterner	Tillberry	Welti
Sanders	Sertich	Slocum	Swails	Torkelson	Westrom
Scalze	Severson	Smith	Thao	Urdahl	Zellers
Scott	Shimanski	Solberg	Thissen	Wagenius	

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

S. F. No. 2773, A bill for an act relating to public safety; establishing a sale of or possession of salvia divinorum crime; providing for a penalty; amending Minnesota Statutes 2008, section 152.027, by adding a subdivision.

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 116 yeas and 15 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brod	Clark	Hackbarth	Lesch	Rukavina
Brynaert	Emmer	Hansen	Peppin	Thao
Buesgens	Garofalo	Kahn	Persell	Thissen

The bill was passed and its title agreed to.

Solberg was excused between the hours of 5:30 p.m. and 6:35 p.m.

S. F. No. 3318 was reported to the House and given its third reading.

Hackbarth moved that S. F. No. 3318 be re-referred to the Committee on Finance.

A roll call was requested and properly seconded.

The question was taken on the Hackbarth motion and the roll was called. There were 44 yeas and 87 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion did not prevail.

S. F. No. 3318, A bill for an act relating to state government; imposing a threshold value before notification of certain legislators is required for disposal of certain state-owned buildings; changing provisions in the energy improvement financing program; clarifying responsibility for administration of the state's responsibilities as a member of the workers' compensation reinsurance association; amending Minnesota Statutes 2008, sections 16B.24, subdivision 3; 16B.322, subdivisions 4, 5; 79.34, subdivision 1; Minnesota Statutes 2009 Supplement, section 16B.322, subdivisions 4a, 4b, 4c.

The bill was 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 41 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The bill was passed and its title agreed to.

Kohls moved that the order of business advance to Motions and Resolutions.

A roll call was requested and properly seconded.

The question was taken on the Kohls motion and the roll was called. There were 46 yeas and 85 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion did not prevail.

### CALENDAR FOR THE DAY, Continued

S. F. No. 560 was reported to the House.

Champion moved to amend S. F. No. 560, the third engrossment, as follows:

Page 1, line 24, after the period, insert "This clause does not apply to a diversion or stay of adjudication of the following offenses: 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); 609.215 (aiding suicide and aiding attempted suicide); 609.221 (assault in the first degree); 609.222 (assault in the second degree); 609.229 (crimes committed for the benefit of a gang); 609.235 (use of drugs to injure or facilitate crime); 609.24 (simple robbery); 609.245 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.322 (solicitation, inducement, and promotion of prostitution; sex trafficking); 609.486 (commission of crime while wearing or possessing a bullet-resistant vest); 609.561 (arson in the first degree); 609.562 (arson in the second degree); 609.582, subdivision 1 (burglary in the first degree); 609.66, subdivision 1e (drive-by shooting); 609.749, subdivision 3, 4, 5, or 8 (stalking with a firearm); and 609.855, subdivision 5 (shooting at a public transit vehicle or facility)."

Page 3, lines 23 and 24, delete the new language

Page 3, line 25, strike "prosecution, or sentencing," and restore the stricken language and delete "without a"

Page 3, after line 25, insert:

"(2) an expunged record may be opened upon request by a prosecutor, or a probation officer for sentencing purposes, without a court order;"

Page 3, line 26, strike "(2)" and insert "(3)" and after "conviction" insert "or delinquency proceeding"

Page 3, line 28, strike "(3)" and insert "(4)" and after "conviction" insert "or delinquency proceeding"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Peppin moved to amend S. F. No. 560, the third engrossment, as amended, as follows:

Page 1, line 24, after the period, insert "This remedy shall not be available for felony offenses."

A roll call was requested and properly seconded.

The question was taken on the Peppin amendment and the roll was called. There were 69 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Gunther	Kiffmeyer	Nelson	Simon
Anderson, P.	Dittrich	Hackbarth	Knuth	Nornes	Smith
Anderson, S.	Doepke	Hamilton	Kohls	Obermueller	Sterner
Beard	Doty	Haws	Lanning	Peppin	Swails
Bigham	Downey	Hilstrom	Lenczewski	Peterson	Torkelson
Brod	Drazkowski	Holberg	Loon	Ruud	Urdahl
Brown	Eastlund	Hoppe	Mack	Sanders	Ward
Buesgens	Emmer	Hosch	Marquart	Scalze	Westrom
Bunn	Faust	Howes	McFarlane	Scott	Zellers
Cornish	Fritz	Jackson	McNamara	Seifert	
Dean	Garofalo	Kath	Morgan	Severson	
Demmer	Gottwalt	Kelly	Murdock	Shimanski	

Those who voted in the negative were:

Abeler	Eken	Johnson	Mahoney	Paymar	Thao
Anzelc	Falk	Juhnke	Mariani	Pelowski	Thissen
Atkins	Gardner	Kahn	Masin	Persell	Tillberry
Benson	Greiling	Kalin	Morrow	Poppe	Wagenius
Bly	Hansen	Koenen	Mullery	Reinert	Welti
Brynaert	Hausman	Laine	Murphy, E.	Rosenthal	Winkler
Carlson	Hayden	Lesch	Murphy, M.	Rukavina	Spk. Kelliher
Champion	Hilty	Liebling	Newton	Sailer	
Clark	Hornstein	Lieder	Norton	Sertich	
Davnie	Hortman	Lillie	Olin	Slawik	
Dill	Huntley	Loeffler	Otremba	Slocum	

The motion prevailed and the amendment was adopted.

Kohls offered an amendment to S. F. No. 560, the third engrossment, as amended.

#### POINT OF ORDER

Hilstrom raised a point of order pursuant to rule 3.21 that the Kohls amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Kohls amendment out of order.

S. F. No. 560, A bill for an act relating to public safety; authorizing the expungement of criminal records for certain individuals who have received stays of adjudication or diversion; authorizing expungements without petitions in certain cases where charges were dismissed against a person upon prosecutorial approval and with victim notification; requiring persons petitioning for an expungement to provide a copy of the criminal complaint or police report; authorizing the opening of certain expunged records without a court hearing; amending Minnesota Statutes 2008, sections 609A.02, subdivision 3; 609A.03, subdivisions 2, 7; proposing coding for new law in Minnesota Statutes, chapter 609A.

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.

Sertich moved that those not voting be excused from voting. The motion prevailed.

There were 98 yeas and 31 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Demmer	Garofalo	Kelly	Sanders	Zellers
Anderson, P.	Dettmer	Gottwalt	Kiffmeyer	Seifert	
Anderson, S.	Doepke	Hackbarth	Kohls	Severson	
Brod	Downey	Hamilton	Loon	Shimanski	
Buesgens	Drazkowski	Holberg	Mack	Torkelson	
Dean	Eastlund	Kath	Peppin	Urdahl	

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

S. F. No. 2839 was reported to the House.

Atkins moved to amend S. F. No. 2839, the second engrossment, as follows:

Page 76, after line 8, insert:

"Sec. 77. **ON-SALE LICENSE; THEATRE L'HOMME DIEU.**

Notwithstanding any law, ordinance, or charter provision to the contrary, Douglas County may issue a wine and intoxicating malt liquor license to Theatre L'Homme Dieu. The license authorizes sales on all days of the week to holders of tickets for performances presented by the theater and to members of the nonprofit corporations holding the license and to their guests.

**EFFECTIVE DATE.** This section is effective upon approval by the licensing authority in the manner specified by Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Dill moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 75, after line 10, insert:

"Sec. 92. Minnesota Statutes 2008, section 514.20, is amended to read:

**514.20 SALE.**

If any sum secured by such lien be not paid within 90 days after it becomes due, the lienholder may sell the property and out of the proceeds of such sale there shall be paid, first, the disbursements aforesaid; second, all charges against the property paid by such person to any other person; and, third, the total indebtedness then secured by the lien. The remainder, if any, shall be paid on demand to the owner or other person entitled thereto. If the property subject to the lien is a motor vehicle registered in this state and subject to a certificate of title, then the lienholder must provide written notice, by ~~registered~~ certified mail, to all secured creditors listed on the certificate of title 45 days before the lienholder's right to sell the motor vehicle is considered effective. The notice must state the name, address, and telephone number of the lienholder, the amount of money owed, and the rate at which storage charges, if any, are accruing. Costs for ~~registered~~ certified mail and other reasonable costs related to complying with this notice provision constitute "lawful charges" pursuant to section 514.19. Failure to comply with the notice provision in this section renders any lien created by this chapter ineffective against any secured party listed on the certificate of title of the motor vehicle involved.

**EFFECTIVE DATE.** This section is effective the day following final enactment, and applies to notices mailed on or after that date, provided however that it is also permissible to send notices under this section by registered mail prior to August 1, 2010, and the costs of those notices are lawful charges under this section."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Reinert moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 75, after line 10, insert:

"Sec. 92. Minnesota Statutes 2008, section 471.61, subdivision 2b, is amended to read:

Subd. 2b. **Insurance continuation.** A unit of local government must allow a former employee and the employee's dependents to continue to participate indefinitely in the employer-sponsored hospital, medical, and dental insurance group that the employee participated in immediately before retirement, under the following conditions:

(a) The continuation requirement of this subdivision applies only to a former employee who is receiving a disability benefit or an annuity from a Minnesota public pension plan other than a volunteer firefighter plan, or who has met age and service requirements necessary to receive an annuity from such a plan.

(b) Until the former employee reaches age 65, the former employee and dependents must be pooled in the same group as active employees for purposes of establishing premiums and coverage for hospital, medical, and dental insurance. However, a former employee under the age of 65 who is enrolled in Medicare Parts A and B due to the former employee's disability and for whom Medicare's obligation to pay claims is primary, and the former employee's dependents, must be pooled in the same group for purposes of this paragraph as former employees who have reached age 65.

(c) A former employee may receive dependent coverage only if the employee received dependent coverage immediately before leaving employment. This subdivision does not require dependent coverage to continue after the death of the former employee. For purposes of this subdivision, "dependent" has the same meaning for former employees as it does for active employees in the unit of local government.

(d) Coverage for a former employee and dependents may not discriminate on the basis of evidence of insurability or preexisting conditions unless identical conditions are imposed on active employees in the group that the employee left.

(e) The former employee must pay the entire premium for continuation coverage, except as otherwise provided in a collective bargaining agreement or personnel policy. A unit of local government may discontinue coverage if a former employee fails to pay the premium within the deadline provided for payment of premiums under federal law governing insurance continuation.

(f) An employer must notify an employee before termination of employment of the options available under this subdivision, and of the deadline for electing to continue to participate.

(g) A former employee must notify the employer of intent to participate within the deadline provided for notice of insurance continuation under federal law. A former employee who does not elect to continue participation does not have a right to reenter the employer's group insurance program.

(h) A former employee who initially selects dependent coverage may later drop dependent coverage while retaining individual coverage. A former employee may not drop individual coverage and retain dependent coverage.

(i) This subdivision does not limit rights granted to former employees under other state or federal law, or under collective bargaining agreements or personnel plans.

(j) Unless otherwise provided by a collective bargaining agreement, if retired employees were not permitted to remain in the active employee group prior to August 1, 1992, a public employer may assess active employees through payroll deduction for all or part of the additional premium costs from the inclusion of retired employees in the active employee group. This paragraph does not apply to employees covered by section 179A.03, subdivision 7.

(k) Notwithstanding section 179A.20, subdivision 2a, insurance continuation under this subdivision may be provided for in a collective bargaining agreement or personnel policy.

**EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to coverage in existence 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.

Kelliher was excused between the hours of 6:30 p.m. and 6:55 p.m.

Atkins; Brynaert; Thissen; Hoppe; Lillie; Morrow; Garofalo; Demmer; Mahoney; Juhnke; Laine; Zellers; Loon; Mariani; Kath; Kahn; Lieder; Knuth; Bunn; Downey; McNamara; Johnson; Murphy, E.; Hausman and Jackson moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 68, after line 25, insert:

"Sec. 82. Minnesota Statutes 2009 Supplement, section 137.0225, is amended to read:

**137.0225 UNIVERSITY PROMISE SCHOLARSHIP.**

The Board of Regents may establish a scholarship to help offset the impact of rising tuition for Minnesota students ~~from middle income families.~~ To be eligible for a scholarship under this section, a student must be a Minnesota resident undergraduate from a family ~~that is not Pell Grant eligible~~ with an annual adjusted gross income not to exceed \$100,000.

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

Sec. 83. **[137.66] SCHOLARSHIP FUNDING PROGRAM.**

As a condition of the license under section 340A.404, subdivision 4a, paragraph (a), clause (3), the University of Minnesota shall deposit at least 75 percent of the revenue generated through the existence of this license for scholarships under section 137.0225 for Minnesota resident men and women attending the University of Minnesota.

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

Page 74, after line 9, insert:

"Sec. 93. Minnesota Statutes 2009 Supplement, section 340A.404, subdivision 4a, is amended to read:

Subd. 4a. **Publicly owned recreation; entertainment facilities.** (a) Notwithstanding any other law, local ordinance, or charter provision, the commissioner may issue on-sale intoxicating liquor licenses:

(1) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Giants Ridge Recreation Area building or recreational improvement area owned by the state in the city of Biwabik, St. Louis County;

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm;

(3) to the Board of Regents of the University of Minnesota for events at Northrop Auditorium, the intercollegiate football stadium, or at no more than seven other locations within the boundaries of the University of Minnesota, provided that the Board of Regents has approved an application for a license for the specified location and provided that a license for an arena or stadium location is void unless it requires the sale or service of intoxicating liquor ~~throughout the arena or stadium if intoxicating liquor is sold or served anywhere in the arena or stadium~~ in a public portion consisting of at least one-third of the general seating of a stadium or arena, and provided that areas be designated where alcohol is not served, to be referred to as family sections; and

(4) to the Duluth Entertainment and Convention Center Authority for beverage sales on the premises of the Duluth Entertainment and Convention Center Arena during intercollegiate hockey games.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount comparable to the fee for comparable licenses issued in surrounding cities.

(b) No alcoholic beverage may be sold or served at TCF Bank Stadium unless the Board of Regents holds an on-sale intoxicating liquor license for the stadium as provided in paragraph (a), clause (3).

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Severson moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 76, after line 30, insert:

"Sec. 95. **SAUK RAPIDS; ON-SALE LICENSE.**

Notwithstanding any other law, ordinance, or charter provision to the contrary, the city of Sauk Rapids may issue an on-sale intoxicating liquor license, or an on-sale 3.2 percent malt liquor license, to the owner of an arena located on the Benton County Fairgrounds or to an entity holding a concession contract with the owner for use on the

premises of that arena. Any license authorized by this section may be issued for space that is not compact or contiguous, provided that all of the space is within the boundaries of the arena and is included in the description of the licensed premises on the approved license application. A license issued under this section authorizes sales on all days of the week to persons attending activities or events at the arena. All other provisions of Minnesota Statutes, chapter 340A not inconsistent with this section apply to the license authorized under this section.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Howes, Mahoney, Atkins and Obermueller moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 70, after line 9, insert:

"Sec. 84. Minnesota Statutes 2008, section 326B.46, is amended by adding a subdivision to read:

Subd. 6. **Well contractor exempt from licensing and bond; conditions.** No license, registration, or bond under sections 326B.42 to 326B.49 is required of a well contractor or a limited well/boring contractor who is licensed and bonded under section 103I.525 or 103I.531 and is engaged in the work or business of installing (1) water service pipe from a well to a pressure tank or a frost-free water hydrant with an antisiphon device which is located entirely outside of a structure requiring potable water, or (2) a temporary shut-off valve on a well water service pipe. For the purposes of this subdivision, "temporary" means a time period not to exceed six months. This subdivision expires one year after the date of enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mahoney and Howes moved to amend the Howes et al amendment, to S. F. No. 2839, the second engrossment, as amended, as follows:

Page 1, after line 13, insert:

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

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Howes et al amendment, as amended, to S. F. No. 2839, the second engrossment, as amended. The motion prevailed and the amendment, as amended, was adopted.

Loon, Bunn, Ruud, Dittrich and Scalze moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 15, after line 35, insert:

"Sec. 24. **62L.0561 FLEXIBLE BENEFITS PLANS.**

Subdivision 1. **Definitions.** For the purposes of this section, the terms used in this section have the meanings defined in section 62Q.01, except that "health plan" includes individual and group coverage for employer plans with up to 75 participants.

Subd. 2. **Flexible benefits plan.** Notwithstanding any provision of this chapter, chapter 363A, or any other law to the contrary, a health plan company may offer, sell, issue, and renew a health plan that is a flexible benefits plan under this section if the following requirements are satisfied:

(1) the health plan must be offered in compliance with the laws of this state, except as otherwise permitted in this section;

(2) the health plan must be designed to enable covered persons to better manage costs and coverage options through the use of co-pays, deductibles, and other cost-sharing arrangements;

(3) the health plan may modify or exclude any or all coverages of benefits that would otherwise be required by law, except for maternity benefits and other benefits required under federal law;

(4) each health plan and plan's premiums must be approved by the commissioner of health or commerce, whichever is appropriate under section 62Q.01, subdivision 2, but neither commissioner may disapprove a plan on the grounds of a modification or exclusion permitted under clause (3); and

(5) prior to the sale of the health plan, the purchaser must be given a written list of the coverages otherwise required by law that are modified or excluded in the health plan. The list must include a description of each coverage in the list and indicate whether the coverage is modified or excluded. If coverage is modified, the list must describe the modification. The list may, but is not required to, also list any or all coverages otherwise required by law that are included in the health plan and indicate that they are included. The health plan company must require that a copy of this written list be provided, prior to the effective date of the health plan, to each enrollee or employee who is eligible for health coverage under the plan.

Subd. 3. **Employer health plan.** An employer may provide a health plan permitted under this section to its employees, the employees' dependents, and other persons eligible for coverage under the employer's plan, notwithstanding chapter 363A or any other law to the contrary.

**EFFECTIVE DATE.** This section is effective January 1, 2012."

Page 77, after line 6, insert:

"Minnesota Statutes 2008, section 62L.056, is repealed effective January 1, 2012."

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 Loon et al amendment and the roll was called. There were 94 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hansen	Lenczewski	Olin	Simon
Anderson, B.	Dittrich	Haws	Lieder	Pelowski	Slawik
Anderson, P.	Doepke	Hilstrom	Lillie	Peppin	Slocum
Anderson, S.	Doty	Holberg	Loon	Persell	Smith
Atkins	Downey	Hoppe	Mack	Peterson	Solberg
Beard	Drazkowski	Hortman	Mahoney	Poppe	Sterner
Benson	Eastlund	Hosch	Marquart	Rosenthal	Swails
Bigham	Emmer	Howes	McFarlane	Ruud	Tillberry
Brod	Falk	Huntley	McNamara	Sailer	Torkelson
Brown	Fritz	Juhnke	Morgan	Sanders	Urdahl
Buesgens	Gardner	Kath	Morrow	Scalze	Ward
Bunn	Garofalo	Kelly	Murdock	Scott	Welti
Cornish	Gottwalt	Kiffmeyer	Newton	Seifert	Westrom
Dean	Gunther	Knuth	Nornes	Sertich	Zellers
Demmer	Hackbarth	Kohls	Norton	Severson	
Dettmer	Hamilton	Lanning	Obermueller	Shimanski	

Those who voted in the negative were:

Anzelc	Eken	Jackson	Liebling	Nelson	Wagenius
Bly	Faust	Johnson	Loeffler	Otremba	Winkler
Brynaert	Greiling	Kahn	Mariani	Paymar	
Carlson	Hausman	Kalin	Masin	Reinert	
Champion	Hayden	Koenen	Mullery	Rukavina	
Clark	Hilty	Laine	Murphy, E.	Thao	
Davnie	Hornstein	Lesch	Murphy, M.	Thissen	

The motion prevailed and the amendment was adopted.

Hortman offered an amendment to S. F. No. 2839, the second engrossment, as amended.

#### POINT OF ORDER

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

Westrom moved to amend S. F. No. 2839, the second engrossment, as amended, as follows:

Page 70, after line 9, insert:

"Sec. 84. Minnesota Statutes 2008, section 326B.46, subdivision 1, is amended to read:

Subdivision 1. **License required.** ~~(a)~~ In any city or town having 5,000 or more population according to the last federal census, no person shall engage in or work at the business of a master plumber, restricted master plumber, journeyman plumber, and restricted journeyman plumber unless licensed to do so by the state commissioner. A

license is not required for individuals performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner of labor and industry. A master plumber may also work as a journeyman plumber, a restricted journeyman plumber, and a restricted master plumber. A journeyman plumber may also work as a restricted journeyman plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and actually occupied by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

~~(b) In any such city, no person shall engage in the business of planning, superintending, or installing plumbing or shall install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, or in cities and towns with a population of fewer than 5,000 according to the federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person, firm, or corporation."~~

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.

S. F. No. 2839, A bill for an act relating to commerce; regulating various licensees and other entities; modifying definitions, informational requirements, continuing education requirements, information reporting requirements, and notice requirements; making various housekeeping, technical, and clarifying changes; regulating securities; reorganizing and modifying various provisions relating to real estate brokers, salespersons, and closing agents; modifying the membership requirements of, and appointment authority to, the real estate appraiser advisory board; regulating certain workers' compensation self-insurers; amending Minnesota Statutes 2008, sections 45.0112; 60A.031, subdivision 4; 60A.084; 60A.204; 60A.36, by adding a subdivision; 60K.31, subdivision 10; 61A.092, subdivision 3; 62A.046, subdivision 6, by adding a subdivision; 62A.17, subdivision 5; 62A.3099, subdivision 17; 62A.65, subdivision 2; 62E.02, subdivision 15; 62E.14, subdivision 4c; 62L.05, subdivision 4; 62S.24, subdivision 8; 62S.266, subdivision 4; 62S.29, subdivision 1; 72A.08, subdivision 4; 72A.12, subdivision 4; 72A.20, subdivisions 10, 36, 37; 72A.492, subdivision 2; 72A.51, subdivision 2; 72B.01; 72B.08, subdivision 8; 79A.03, subdivision 8; 79A.06, subdivision 5; 79A.21, subdivision 3; 80A.41; 80A.46; 80A.65, subdivision 6; 82.17, subdivision 15, by adding subdivisions; 82.19; 82.21, subdivision 2; 82.24, subdivision 3; 82.29, subdivisions 4, 5, 8; 82.31, subdivisions 1, 2; 82.33, subdivisions 1, 2, by adding a subdivision; 82.34, subdivisions 1, 2, 4, 5, 13; 82.39; 82.41, subdivisions 1, 2, by adding a subdivision; 82.45, subdivision 3, by adding subdivisions; 82.48, subdivisions 2, 3; 82B.05, as amended; 82B.06; 82B.14; 326.3382, subdivision 3; 326B.33, subdivision 16; 326B.56, subdivision 2; 326B.86, subdivision 2; 326B.921, subdivision 6; 327B.04, subdivision 4; 332.34; 340A.409, subdivision 1; Minnesota Statutes 2009 Supplement, sections 45.027, subdivision 1; 45.30, subdivision 4; 60A.39, subdivisions 1, 4, 5; 60A.9572, subdivision 6; 60K.361; 62A.3099, subdivision 18; 65A.29, subdivision 13; 72B.03, subdivision 2; 72B.045, subdivision 1; 72B.06; 82.31, subdivision 4; 82.32; 326B.46, subdivision 2; Laws 2007, chapter 147, article 12, section 14; proposing coding for new law in Minnesota Statutes, chapters 82; 332; repealing Minnesota Statutes 2008, sections 72B.04; 82.19, subdivision 3; 82.22, subdivisions 1, 6, 7, 8, 9; 82.31, subdivision 6; 82.34, subdivision 16; 82.41, subdivisions 3, 7; 332.31, subdivision 7; 332.335; Minnesota Statutes 2009 Supplement, sections 65B.133, subdivision 3; 72B.02, subdivision 11.

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 130 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dettmer                      Eastlund

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

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

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2634:

Mullery, Hilstrom and Cornish.

There being no objection, the order of business reverted to Messages from the Senate.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

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

H. F. No. 2227, A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Marquart moved that the House refuse to concur in the Senate amendments to H. F. No. 2227, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

### **MOTIONS AND RESOLUTIONS**

Thissen moved that the name of Downey be added as an author on H. F. No. 2922. The motion prevailed.

Dauids moved that the name of Sterner be added as an author on H. F. No. 3210. The motion prevailed.

Fritz moved that her name be stricken as an author on H. F. No. 3841. The motion prevailed.

Morrow moved that the names of Kalin and Paymar be added as authors on H. F. No. 3841. The motion prevailed.

Hayden moved that the names of Slocum and Champion be added as authors on H. F. No. 3842. The motion prevailed.

Hayden moved that the name of Champion be added as an author on H. F. No. 3843. The motion prevailed.

### **ADJOURNMENT**

Sertich moved that when the House adjourns today it adjourn until 12:00 noon, Friday, May 14, 2010. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and Speaker pro tempore Juhnke declared the House stands adjourned until 12:00 noon, Friday, May 14, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

