

STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2012

 NINETY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 27, 2012

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

Prayer was offered by Father Kevin Finnegan, Divine Mercy Catholic Church, Faribault, 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	Davids	Hamilton	Kriesel	Morrow	Scalze
Allen	Davnie	Hancock	Lanning	Mullery	Schomacker
Anderson, B.	Dean	Hansen	Leidiger	Murdock	Scott
Anderson, D.	Dettmer	Hausman	LeMieur	Murphy, E.	Shimanski
Anderson, P.	Dill	Hilstrom	Lenczewski	Murphy, M.	Simon
Anderson, S.	Dittrich	Hilty	Lesch	Murray	Slawik
Anzelc	Doepke	Holberg	Liebling	Myhra	Slocum
Atkins	Downey	Hoppe	Lillie	Nelson	Smith
Banaian	Drazkowski	Hornstein	Loeffler	Nornes	Stensrud
Barrett	Eken	Hortman	Lohmer	Norton	Swedzinski
Beard	Erickson	Hosch	Loon	O'Driscoll	Thissen
Benson, J.	Fabian	Howes	Mack	Paymar	Tillberry
Benson, M.	Falk	Huntley	Mahoney	Pelowski	Torkelson
Bills	Franson	Johnson	Mariani	Peppin	Urdahl
Brynaert	Fritz	Kahn	Marquart	Persell	Vogel
Buesgens	Garofalo	Kath	Mazorol	Petersen, B.	Wagenius
Carlson	Gauthier	Kelly	McDonald	Peterson, S.	Ward
Champion	Gottwalt	Kieffer	McElpatrick	Poppe	Wardlow
Clark	Greiling	Kiel	McFarlane	Quam	Westrom
Cornish	Gruenhagen	Kiffmeyer	McNamara	Rukavina	Winkler
Crawford	Gunther	Knuth	Melin	Runbeck	Woodard
Daudt	Hackbarth	Koenen	Moran	Sanders	Spk. Zellers

A quorum was present.

Laine was excused until 1:30 p.m. Greene was excused until 1:35 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1750 and H. F. No. 2214, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hancock moved that the rules be so far suspended that S. F. No. 1750 be substituted for H. F. No. 2214 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2088 and H. F. No. 2530, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kiel moved that S. F. No. 2088 be substituted for H. F. No. 2530 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2535 and H. F. No. 2759, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Erickson moved that S. F. No. 2535 be substituted for H. F. No. 2759 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

March 26, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State, H. F. No. 300.

Sincerely,

MARK DAYTON
Governor

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

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2012 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2012</i>	<i>Date Filed 2012</i>
	300	136	12:54 p.m. March 26	March 26

Sincerely,

MARK RITCHIE
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Nornes from the Committee on Higher Education Policy and Finance to which was referred:

H. F. No. 2065, A bill for an act relating to bonding; increasing revenue bond debt ceiling for Board of Trustees of the Minnesota State Colleges and Universities; amending Minnesota Statutes 2010, section 136F.98, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[135A.044] STUDENT HEALTH CARE.**

A governing board of a Minnesota public postsecondary system that requires health benefit plan coverage for students must offer options for health plan coverage. The options must include an option to waive the requirement to purchase a plan selected by the institution and must include consideration for the fiscal impact of health plans on the student or the student's family. At a minimum, the waiver option must allow students to purchase health care plans from employer group coverage, private insurers, association group coverage, and MinnesotaCare.

Sec. 2. Minnesota Statutes 2010, section 135A.14, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings given them.

(a) "Administrator" means the administrator of the institution or other person with general control and supervision of the institution.

(b) "Public or private postsecondary educational institution" or "institution" means any of the following institutions having an enrollment of more than 100 persons during any quarter, term, or semester during the preceding year: (1) the University of Minnesota; (2) the state universities; (3) the state community colleges; (4) public technical colleges; (5) private four-year, professional and graduate institutions; (6) private two-year colleges; and (7) schools subject to either chapter 141, sections 136A.61 to 136A.71, or schools exempt under section 136A.657, and which offer educational programs within the state for an academic year greater than six consecutive months. An institution's report to the Minnesota Office of Higher Education or the Minnesota Department of Education may be considered when determining enrollment.

(c) "Student" means a person born after 1956 who did not graduate from a Minnesota high school in 1997 or later, and who is (1) registering for more than one class during a full academic term, such as a quarter or a semester or (2) housed on campus and is registering for one or more classes. Student does not include persons enrolled in extension classes ~~only or~~, correspondence classes ~~only~~, online classes, or evening adult accelerated programs.

Sec. 3. Minnesota Statutes 2010, section 135A.25, subdivision 5, is amended to read:

Subd. 5. **Bookstores; course materials.** The University of Minnesota and private colleges are encouraged to comply with the requirements ~~for instructors and bookstores~~ under section 136F.58, ~~subdivision~~ subdivisions 2, 2a, and 3.

Sec. 4. Minnesota Statutes 2010, section 136A.031, subdivision 3, is amended to read:

Subd. 3. **Student Advisory Council.** (a) A Student Advisory Council (SAC) to the Minnesota Office of Higher Education is established. The members of SAC shall include, but not be limited to: the chair of the University of Minnesota student senate; the state chair of the Minnesota State University Student Association; the president of the Minnesota State College Student Association and an officer of the Minnesota State College Student Association, one in a community college course of study and one in a technical college course of study; the president of the Minnesota Association of Private College Students; ~~and~~ a student who is enrolled in a private vocational school, to be appointed by the Minnesota Career College Association; and the chair of the Minnesota Student Legislative Coalition. A member may be represented by a student designee who attends an institution from the same system that the absent member represents. The SAC shall select one of its members to serve as chair.

(b) The Minnesota Office of Higher Education shall inform the SAC of all matters related to student issues under consideration. The SAC shall report to the Minnesota Office of Higher Education quarterly and at other times that the SAC considers desirable. The SAC shall determine its meeting times, but it shall also meet with the office within 30 days after the director's request for a meeting.

(c) The SAC shall:

(1) bring to the attention of the Minnesota Office of Higher Education any matter that the SAC believes needs the attention of the office;

(2) make recommendations to the Minnesota Office of Higher Education as it finds appropriate; and

(3) approve student appointments by the Minnesota Office of Higher Education for each advisory group as provided in subdivision 4.

Sec. 5. Minnesota Statutes 2010, section 136F.58, is amended by adding a subdivision to read:

Subd. 2a. **Course schedule and material list.** (a) Each state college and university shall compile a course schedule indicating each course offered by the state college or university for each term and shall include with the course schedule a list of the required and recommended course materials that specifies, to the extent practicable, the information required in subdivision 3, paragraph (c).

(b) At the time required by subdivision 3, paragraph (c), a state college or university shall publish course schedules and course material lists on the state college's or university's Web site.

Sec. 6. Minnesota Statutes 2010, section 136F.58, subdivision 3, is amended to read:

Subd. 3. **Notice to purchase.** (a) An instructor or department shall ~~make reasonable efforts to~~ notify a bookstore of the final order for required and recommended course material at least ~~30~~ 45 days prior to the commencement of the term.

(b) An instructor or department requiring a new printed textbook edition must notify the bookstore and students, as required in paragraph (a), if a previous edition of the textbook is acceptable as a substitute textbook for the course. The course syllabus must include details provided by the publisher of changes between editions of the textbook.

~~(b)~~ (c) The bookstore must make reasonable efforts to notify students of the following information concerning the required and recommended course material at least ~~45~~ 30 days prior to the commencement of the term for which the course material is required including, but not limited to:

(1) the title, edition, author, and International Standard Book Number (ISBN) of the course material;

(2) the retail price charged in the college or university bookstore for the course material, including custom textbooks;

~~(3) whether the required course material is bundled with optional material, whether it can be unbundled, and the price for each bundled and unbundled component~~ the name of the publisher of the course material, except an international textbook purchased directly from a distributor where no publisher information is readily available; and

(4) whether the material is available in an alternative format and the cost for the alternatively formatted material; and

(5) the most recent copyright date of the printed course material and the copyright date of the most recent prior edition of the course material, if any.

(d) For purposes of this subdivision, "custom textbooks" means course materials that are compiled by a publisher at the direction of a faculty member or, if applicable, the other adopting entity in charge of selecting course materials for courses taught at a state college or university. Custom textbooks may include items such as selections from original instructor materials, previously copyrighted publisher materials, copyrighted third-party works, or elements unique to a specific state college or university.

Sec. 7. Minnesota Statutes 2010, section 136F.71, subdivision 3, is amended to read:

Subd. 3. **Interest income.** ~~Beginning July 1, 1997,~~ Interest income attributable to general fund dedicated receipts of the board is appropriated to the board. The board shall allocate the income proportionately among the colleges and universities. The board shall report this income separately in its biennial budget requests.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 8. Minnesota Statutes 2010, section 136F.71, is amended by adding a subdivision to read:

Subd. 5. **Continued operation.** Notwithstanding any other law to the contrary, to the extent that the board has receipts under this section sufficient to continue operations, the commissioner of management and budget shall provide the board with statewide systems services under section 16A.1286 and access to its funds as deemed

necessary by the board to continue its operations. The board shall pay for the services received in accordance with section 16A.1286, including any administrative services necessary for the commissioner of management and budget to provide the statewide systems services. In addition, the board shall pay for treasury operations services provided by the commissioner of management and budget. Payments received by the commissioner of management and budget under this subdivision are appropriated to the Department of Management and Budget and may be transferred to the Office of Enterprise Technology and Administration, if necessary, for the purposes of providing those services.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 9. Minnesota Statutes 2010, section 136F.98, subdivision 1, is amended to read:

Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State Colleges and Universities or a successor may issue revenue bonds under sections 136F.90 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$300,000,000~~ \$405,000,000, and payable from the revenue appropriated to the fund established by section 136F.94, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures or portions thereof to be used for dormitory, residence hall, student union, food service, parking purposes, or for any other similar revenue-producing building or buildings of such type and character as the board finds desirable for the good and benefit of the state colleges and universities. Before issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house of representatives Ways and Means Committee and the senate Finance Committee about the facilities to be financed by the bonds.

Sec. 10. Minnesota Statutes 2010, section 136G.03, subdivision 7, is amended to read:

Subd. 7. **Contingent account owner.** "Contingent account owner" means the ~~individual person~~ designated as the account owner, either in the participation agreement or pursuant to a separate Minnesota college savings plan form, in the event of the death of the account owner.

Sec. 11. Minnesota Statutes 2010, section 137.022, subdivision 4, is amended to read:

Subd. 4. **Mineral research; scholarships.** (a) All income credited after July 1, 1992, to the permanent university fund from royalties for mining under state mineral leases from and after July 1, 1991, must be allocated as provided in this subdivision.

(b)(1) ~~Fifty~~ Beginning January 1, 2013, 50 percent of the income must be allocated according to this paragraph. One-half of the income under this paragraph, up to \$50,000,000, must be credited to the mineral research account of the fund to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral and mineral-related research including mineral-related environmental research; and. The other one-half of the income under this paragraph, up to \$25,000,000, is credited to an endowment for the costs of operating a mining, metallurgical, or related engineering degree program offered through the University of Minnesota at Mesabi Range Community and Technical College and for scholarships for students to attend the mining, metallurgical, or related engineering program.

(2) The remainder of the income under paragraph (a) and the amount of any income over the \$25,000,000 for the engineering program under clause (1) must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the Board of Regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.

(d) The Board of Regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the disbursement of money from the endowed scholarship account and to the environment and natural resources committees on the use of the mineral research account.

(e) Capital gains and losses and portfolio income of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.

(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived.

Sec. 12. Minnesota Statutes 2010, section 141.35, is amended to read:

141.35 EXEMPTIONS.

Sections 141.21 to 141.32 shall not apply to the following:

- (1) public postsecondary institutions;
- (2) postsecondary institutions registered under sections 136A.61 to 136A.71;
- (3) schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;
- (4) private schools complying with the requirements of section 120A.22, subdivision 4;
- (5) courses taught to students in a valid apprenticeship program taught by or required by a trade union;
- (6) schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota;
- (7) schools licensed by boards authorized under Minnesota law to issue licenses except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;
- (8) schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;
- (9) schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects as determined by the office except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names unless the school used "academy" or "institute" in its name prior to August 1, 2008;
- (10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

(11) programs in the fine arts provided by organizations exempt from taxation under section 290.05 and registered with the attorney general under chapter 309. For the purposes of this clause, "fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the office may seek the advice and recommendation of the Minnesota Board of the Arts;

(12) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and that are offered exclusively to an individual practicing the profession;

(13) classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(14) classes, courses, or programs providing 16 or fewer clock hours of instruction that are not part of the curriculum for an occupation or entry level employment except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(15) classes, courses, or programs providing instruction in personal development, modeling, or acting;

(16) training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment; and

(17) schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions.

EFFECTIVE DATE. This section is effective retroactively from August 1, 2008.

Sec. 13. Minnesota Statutes 2010, section 299A.45, subdivision 1, is amended to read:

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

(1) is certified under section 299A.44 and in compliance with this section and rules of the commissioner of public safety and the Minnesota Office of Higher Education;

(2) is enrolled in an undergraduate degree or certificate program after June 30, 1990, or a graduate degree or certificate program after June 30, 2011, at an eligible Minnesota institution as provided in section 136A.101, subdivision 4;

(3) ~~has not received a baccalaureate degree or been enrolled full time for nine semesters or the equivalent, except that a student who withdraws from enrollment for active military service is entitled to an additional semester or the equivalent of eligibility~~ benefits for the maximum duration specified in subdivision 4; and

(4) is related in one of the following ways to a public safety officer killed in the line of duty on or after January 1, 1973:

(i) as a dependent child less than 23 years of age;

(ii) as a surviving spouse; or

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

EFFECTIVE DATE. This section is effective retroactively from July 1, 2011.

Sec. 14. Minnesota Statutes 2010, section 299A.45, subdivision 2, is amended to read:

Subd. 2. **Award amount.** (a) The amount of the award is the lesser of:

(1) the average tuition and fees charged by the institution; or

(2) the tuition maximums established by law for the state grant program under section 136A.121. The tuition maximum for graduate study is the maximum established by law for the state grant program for four-year programs.

(b) An award under this subdivision must not affect a recipient's eligibility for a state grant under section 136A.121.

(c) For the purposes of this subdivision, "fees" include only those fees that are mandatory and charged to all students attending the institution.

(d) For the purpose of benefits awarded under this section, "full time" for a graduate program is eight or more credits per term or the equivalent.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2011.

Sec. 15. Minnesota Statutes 2010, 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 including any games played by the Minnesota Vikings at the stadium, and~~ 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 an intercollegiate football stadium location~~ is void unless it ~~requires the sale or service of intoxicating liquor in a public portion consisting of at least one third of the general seating of a stadium or arena~~ meets the conditions of paragraph (b). It is solely within the discretion of the Board of Regents to choose the manner in which to carry out ~~this condition~~ these conditions consistent with the requirements of paragraph (b); 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), that provides for the sale of intoxicating liquor at a location in the stadium that is convenient to the general public attending an intercollegiate football game at the stadium. On-sale liquor sales to the general public must be available at that location through half-time of an intercollegiate football game at TCF Bank Stadium.

Sec. 16. **EXPIRATION.**

The changes in section 15 to Minnesota Statutes, section 340A.404, subdivision 4a, expire July 1, 2014.

Sec. 17. **UNIVERSITY OF MINNESOTA APPROPRIATION TRANSFER TO HENNEPIN COUNTY MEDICAL CENTER.**

The regents of the University of Minnesota must transfer \$645,000 in fiscal year 2012 and \$645,000 in fiscal year 2013 from the appropriations made to it for operations and maintenance in Laws 2011, First Special Session chapter 5, article 1, section 5, to the Hennepin County Medical Center for graduate family medicine education programs at Hennepin County Medical Center.

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

Sec. 18. **MINNESOTA STATE COLLEGES AND UNIVERSITIES TEXTBOOK WORK GROUP.**

The Board of Trustees of the Minnesota State Colleges and Universities shall establish a work group to study methods that result in lower textbook costs for students. Methods include studying alternative textbook delivery methods, including a cross-campus shared delivery system for textbooks, the expansion of electronic textbooks with an assessment of effective methods for delivering e-books to students, and other technology-based innovative or best practices methods to bring real cost savings to students. The goal of this work group is to help assess current practices, present a stable of business strategies, technologies, and campus deployment plans that are effective in driving down the cost of learning resources for students while offering greater access to no- or low-cost academic content for faculty.

Sec. 19. **TEACHER PERFORMANCE ASSESSMENT STUDENT FEE.**

Notwithstanding any law or rule to the contrary, a student in a teacher preparation program at a Minnesota state university must not be charged a fee by the Minnesota Board of Teaching, the Minnesota State Colleges and Universities, or a state university for taking or scoring an assessment test intended to evaluate teacher preparation programs. A Minnesota State College and University student must not be charged a fee for the teacher performance assessment or another assessment test given to students to fulfill the requirement to assure the effectiveness of teacher preparation programs under Minnesota Statutes, section 122A.09, subdivision 4, paragraph (d).

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

Delete the title and insert:

"A bill for an act relating to higher education; clarifying the authority of the MnSCU system to continue operations during a budget impasse; increasing revenue bond debt ceiling for Board of Trustees of the Minnesota State Colleges and Universities; providing an exemption from state regulation of certain schools; requiring disclosure of certain course material and course information; establishing a MnSCU textbook task force; requiring an expanded waiver for mandatory health care coverage; authorizing a safety officer survivor education benefit for graduate study; modifying definition of contingent account owner for purposes of the college savings plan; directing a portion of the permanent university fund for a mining engineering program; modifying membership of the Student Advisory Council; modifying definition of student for purposes of the statement of immunization; modifying liquor license requirements for intercollegiate stadium operated by the University of Minnesota; providing funding for Hennepin County Medical Center graduate family medicine education programs; prohibiting fees related to the teacher performance assessment test; amending Minnesota Statutes 2010, sections 135A.14, subdivision 1; 135A.25,

subdivision 5; 136A.031, subdivision 3; 136F.58, subdivision 3, by adding a subdivision; 136F.71, subdivision 3, by adding a subdivision; 136F.98, subdivision 1; 136G.03, subdivision 7; 137.022, subdivision 4; 141.35; 299A.45, subdivisions 1, 2; 340A.404, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 135A."

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

The report was adopted.

Hoppe from the Committee on Commerce and Regulatory Reform to which was referred:

H. F. No. 2150, A bill for an act relating to insurance; making changes in the public employee insurance program administered by Minnesota Management and Budget; establishing a temporary moratorium to preclude employees from joining the public employee insurance program if their employer is not in the program as of the date of enactment; amending Minnesota Statutes 2010, section 43A.316, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 43A.316, subdivision 5, is amended to read:

Subd. 5. **Public employee participation.** (a) Participation in the program is subject to the conditions in this subdivision.

(b) Each exclusive representative for an eligible employer determines whether the employees it represents will participate in the program. The exclusive representative shall give the employer notice of intent to participate at least 30 days before the expiration date of the collective bargaining agreement preceding the collective bargaining agreement that covers the date of entry into the program. The exclusive representative and the eligible employer shall give notice to the commissioner of the determination to participate in the program at least 30 days before entry into the program. Entry into the program is governed by a schedule established by the commissioner. Employees of an eligible employer that is not participating in the program as of the date of enactment shall not be allowed to enter the program until January 1, 2015, except that a city that has received a formal written bid from the program as of the date of enactment shall be allowed to enter the program based on the bid if they so choose.

(c) Employees not represented by exclusive representatives may become members of the program upon a determination of an eligible employer to include these employees in the program. Either all or none of the employer's unrepresented employees must participate. The eligible employer shall give at least 30 days' notice to the commissioner before entering the program. Entry into the program is governed by a schedule established by the commissioner. Employees of an eligible employer that is not participating in the program as of the date of enactment shall not be allowed to enter the program until January 1, 2015, except that a city that has received a formal written bid from the program as of the date of enactment shall be allowed to enter the program based on the bid if they so choose.

(d) Participation in the program is for a two-year term. Participation is automatically renewed for an additional two-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 30 days before expiration of the participation period. A group that withdraws must wait two years before rejoining. An exclusive representative, or employer for unrepresented employees, may also withdraw if premiums increase 50 percent or more from one insurance year to the next.

(e) The exclusive representative shall give the employer notice of intent to withdraw to the commissioner at least 30 days before the expiration date of a collective bargaining agreement that includes the date on which the term of participation expires.

(f) Each participating eligible employer shall notify the commissioner of names of individuals who will be participating within two weeks of the commissioner receiving notice of the parties' intent to participate. The employer shall also submit other information as required by the commissioner for administration of the program.

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

With the recommendation that when so amended the bill pass.

The report was adopted.

Hoppe from the Committee on Commerce and Regulatory Reform to which was referred:

H. F. No. 2499, A bill for an act relating to corporations; providing for incorporation of for-profit public benefit corporations; proposing coding for new law as Minnesota Statutes, chapter 304A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[304A.01] CITATION.**

This chapter may be cited as the "Minnesota Public Benefit Corporation Act."

Sec. 2. **[304A.02] DEFINITIONS.**

Subdivision 1. **Applicability.** For purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Best interests of the corporation.** "Best interests of the corporation" means those goals and objectives that are reasonably believed to provide for long-term public benefit or to advance one or more interests of stakeholders.

Subd. 3. **Public benefit.** "Public benefit" means providing public goods, improvements, and advantages for the well-being of the general public in local, state, national, or world communities through for-profit business undertakings.

Subd. 4. **Stakeholder.** "Stakeholder" means:

(1) a shareholder;

(2) an employee;

(3) a customer;

(4) a community of interest identified in the bylaws or articles of incorporation; or

(5) a creditor.

Sec. 3. **[304A.03] RELATIONSHIP TO OTHER LAW.**

Chapter 302A, including its definitions, applies to corporations incorporated or governed under this chapter, except as otherwise provided in this chapter or where chapter 302A conflicts with this chapter.

Sec. 4. **[304A.04] INCORPORATION.**

(a) A for-profit corporation may be incorporated under this chapter to pursue one or more modes of public benefit as stated in its articles of incorporation.

(b) The secretary of state shall maintain incorporation records in a manner that clearly distinguishes public benefit corporations incorporated under this chapter.

(c) A corporation incorporated under this chapter shall include as part of its corporate name the phrase "public benefit corporation" or the abbreviation "PBC."

Sec. 5. **[304A.05] STANDARD OF CONDUCT; BEST INTERESTS OF CORPORATION.**

Subdivision 1. **Standard.** (a) A director or officer of a public benefit corporation shall discharge the duties of the position in a manner the director or officer reasonably believes to be in the best interests of the corporation, as defined in section 304A.02.

(b) Subject to the best interests of the corporation standard under paragraph (a), section 302A.251, subdivisions 1 to 4, apply to directors and section 302A.361 applies to officers of a public benefit corporation.

Subd. 2. **Liability.** Nothing in this chapter creates liability to, or a cause of action in favor of, a person other than the corporation or a shareholder.

Sec. 6. **[304A.06] STAKEHOLDER ENGAGEMENT.**

Subdivision 1. **Stakeholder impact.** The board of a public benefit corporation shall provide opportunities for engagement and advisory input from stakeholders other than shareholders, such as regular stakeholder meetings scheduled by the board of a Web site or e-mail listserve provided by the corporation for communication among those stakeholders and between those stakeholders and the officers and directors.

Subd. 2. **Public interest reports.** A public benefit corporation shall produce and publish an annual report to the public on its financial condition and describing its efforts with respect to achieving public benefit and engaging with material stakeholder interests. If the corporation is a publicly held corporation, as defined in section 302A.011, subdivision 40, the corporation shall produce and publish the annual public interest report at the same time as it files its annual financial report required under federal securities laws. The public interest report must summarize the corporation's actions undertaken within the preceding year that benefit the public interest and stakeholders other than shareholders and must describe how the corporation takes into account those interests."

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 2150 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1750, 2088 and 2535 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Hackbarth, McNamara, Dill and Howes introduced:

H. F. No. 2968, A bill for an act relating to capital investment; appropriating money for electric fish barriers; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Lesch, Mahoney, Moran, Hilstrom, Mariani, Johnson, Nelson and Lillie introduced:

H. F. No. 2969, A bill for an act relating to capital improvements; appropriating money for Hmong veterans commemorative statue; authorizing the sale and issuance of state bonds.

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

Hamilton introduced:

H. F. No. 2970, A bill for an act relating to agriculture; establishing foundations for 4-H and Future Farmers of America; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41D.

The bill was read for the first time and referred to the Committee on Agriculture and Rural Development Policy and Finance.

Dauids introduced:

H. F. No. 2971, A bill for an act relating to tax-exempt bonding; modifying the bond allocation carryforward rules; amending Minnesota Statutes 2010, sections 474A.04, subdivision 1a; 474A.062; 474A.091, subdivision 3a.

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

Kahn introduced:

H. F. No. 2972, A bill for an act relating to government reform; requiring certain meetings to be open to the public; adding requirements to lobbyists and principals related to model legislation; adding requirements to principals and public officials related to scholarship funds; establishing public campaign fund; increasing amount of political contribution refund; appropriating money; amending Minnesota Statutes 2010, sections 3.055, subdivision 1; 10A.01, subdivisions 21, 33, by adding subdivisions; 10A.04, subdivision 6; 10A.09, subdivision 5; 10A.30, subdivision 2; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1524, A bill for an act relating to education; clarifying continuing education requirements for substitute principals; amending Minnesota Statutes 2010, section 122A.14, subdivision 3.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2738, A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 1; requiring voters to present photographic identification; providing photographic identification to voters at no charge; requiring substantially equivalent verification standards for all voters; allowing provisional balloting for voters unable to present photographic identification.

The Senate has appointed as such committee:

Senators Newman, Limmer, Thompson, Daley and Lillie.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. 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. 2083, A bill for an act relating to education; providing funding and modifying certain early, adult, and kindergarten through grade 12 education provisions, including general education, education excellence, special programs, facilities and technology, nutrition and accounting, libraries, and prevention; providing education forecast adjustments; appropriating money; amending Minnesota Statutes 2010, sections 122A.40, subdivisions 10, 11, 13, 19; 122A.41, subdivisions 14, 15; 123A.75, subdivision 1; 123B.41, by adding a subdivision; 123B.42; 123B.43; 124D.111, subdivision 3; 124D.518, subdivision 3, by adding a subdivision; 124D.531, by adding a subdivision; 126C.10, subdivision 28; Minnesota Statutes 2011 Supplement, sections 122A.245, subdivision 1; 122A.41, subdivision 6; 123B.41, subdivision 2; 124D.11, subdivision 9; 127A.33; 127A.45, subdivision 2; Laws 2011, First Special Session chapter 11, article 1, section 36, subdivisions 2, 3, 4, 5, 6, 7, 10; article 2, section 50, subdivisions 2, 3, 4, 5, 6, 7, 9; article 3, section 11, subdivisions 2, 3, 4, 5, 6; article 4, section 10, subdivisions 2, 3, 4, 6; article 5, section 12, subdivisions 2, 3, 4; article 6, section 2, subdivisions 2, 3, 5; article 7, section 2, subdivisions 2, 3, 4; article 8, section 2, subdivisions 2, 3; article 9, section 3, subdivision 2; repealing Minnesota Statutes 2010, sections 124D.135, subdivisions 8, 9; 124D.16, subdivisions 6, 7; 124D.20, subdivisions 11, 12.

CAL R. LUDEMAN, Secretary of the Senate

Garofalo moved that the House refuse to concur in the Senate amendments to H. F. No. 2083, that the Speaker appoint a Conference Committee of 5 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.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2083:

Garofalo, Kelly, Loon, Woodard and Greiling.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 1993, 2183, 2184 and 2342.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1993, A bill for an act relating to building codes; modifying licensing exemptions relating to installation of certain sump pumps; amending Minnesota Statutes 2011 Supplement, section 326B.46, subdivision 1a.

The bill was read for the first time.

Sanders moved that S. F. No. 1993 and H. F. No. 2354, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2183, A bill for an act relating to education; prohibiting the commissioner of education from enforcing unadopted rules; amending Minnesota Statutes 2010, section 127A.05, subdivision 4.

The bill was read for the first time.

Doepke moved that S. F. No. 2183 and H. F. No. 2596, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2184, A bill for an act relating to real property; registered land; providing for registration for time share interests; amending Minnesota Statutes 2010, section 508.58, subdivision 2, by adding subdivisions.

The bill was read for the first time.

Westrom moved that S. F. No. 2184 and H. F. No. 2763, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2342, A bill for an act relating to commerce; regulating auto insurance claims practices; amending Minnesota Statutes 2010, section 65B.54, subdivision 6.

The bill was read for the first time.

Abeler moved that S. F. No. 2342 and H. F. No. 2749, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALENDAR FOR THE DAY

H. F. No. 657 was reported to the House.

Hoppe moved to amend H. F. No. 657, the second engrossment, as follows:

Page 2, after line 3, insert:

"Subd. 5. **Restrictive ticketing system.** "Restrictive ticketing system" means a system that imposes license or contractual terms on the resale of event tickets, or that restrict the price or other term and conditions under which a ticket may be resold or transferred. It includes a system that employs technological means for the purpose or with

the foreseeable effect of prohibiting or restricting the resale of event tickets, including but not limited to, issuing event tickets in an electronic form that is not readily transferrable to a subsequent purchaser, or conditioning entry into the venue on presentation of a token, such as the original purchaser's credit card or state-issued identification card, that cannot be readily transferred to a subsequent purchaser."

Renumber the subdivisions in sequence

Page 2, delete section 2 and insert:

"Sec. 2. [325E.70] RESTRICTIVE TICKETING SYSTEMS PERMITTED; CONDITIONS; STUDENT TICKET EXEMPTION.

Subdivision 1. **Restrictive ticketing system permitted subject to conditions.** A ticket issuer shall not employ a restrictive ticketing system unless the consumer is given an option to purchase a ticket that the consumer can transfer at any price, and at any time, independent of the operator or operator's agent.

Subd. 2. **Conditions for restrictive ticketing system.** A restrictive ticketing system must adhere to the following conditions:

(1) the established face value price for any given ticket shall be the same regardless of the form or transferability of such ticket; and

(2) reasonable service charges or fees may be applied to a transferable ticket option within a restrictive ticketing system.

Subd. 3. **Exemption.** Event tickets that meet the following requirements are exempt from this section:

(1) the event ticket is sold or given by a higher education institution to a student of that institution;

(2) the event ticket is permitted to be used for admission to the event only by a student of that higher education institution; and

(3) the event is sanctioned by that higher education institution."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bills was excused between the hours of 1:45 p.m. and 2:25 p.m.

H. F. No. 657, A bill for an act relating to commerce; regulating certain practices with respect to event tickets; permitting restrictive ticketing systems; proposing coding for new law in Minnesota Statutes, chapter 325E.

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 83 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hancock	Lanning	McNamara	Scott
Anderson, B.	Dill	Hilstrom	Leidiger	Morrow	Shimanski
Anderson, D.	Dittrich	Holberg	LeMieur	Murdock	Simon
Anderson, P.	Doepke	Hoppe	Lenczewski	Murray	Slawik
Anderson, S.	Downey	Hortman	Lesch	Myhra	Slocum
Atkins	Drazkowski	Hosch	Lillie	Nelson	Smith
Barrett	Erickson	Howes	Loeffler	Nornes	Stensrud
Beard	Fabian	Kahn	Lohmer	O'Driscoll	Thissen
Benson, M.	Garofalo	Kath	Loon	Peppin	Torkelson
Buesgens	Gottwalt	Kelly	Mack	Quam	Urdahl
Carlson	Gruenhagen	Kieffer	Marquart	Rukavina	Vogel
Cornish	Gunther	Kiel	Mazorol	Runbeck	Westrom
Crawford	Hackbarth	Kiffmeyer	McDonald	Sanders	Spk. Zellers
Davids	Hamilton	Kriesel	McElpatrick	Schomacker	

Those who voted in the negative were:

Allen	Dean	Hausman	Mahoney	Paymar	Wagenius
Anzelc	Eken	Hilty	Mariani	Pelowski	Ward
Banaian	Falk	Hornstein	McFarlane	Persell	Wardlow
Benson, J.	Franson	Huntley	Melin	Petersen, B.	Winkler
Brynaert	Fritz	Johnson	Moran	Peterson, S.	Woodard
Champion	Gauthier	Knuth	Mullery	Poppe	
Clark	Greene	Koenen	Murphy, E.	Scalze	
Daudt	Greiling	Laine	Murphy, M.	Swedzinski	
Davnie	Hansen	Liebling	Norton	Tillberry	

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

The Speaker called Davids to the Chair.

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

S. F. No. 1735 was reported to the House.

Mullery offered an amendment to S. F. No. 1735, the first engrossment.

POINT OF ORDER

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

Mullery moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 1, after line 19, insert:

"Sec. 2. **[47.191] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Affidavit of compliance.** "Affidavit of compliance" means a sworn affidavit recorded by the mortgagee with the county recorder or registrar of titles as required under section 47.192.

Subd. 3. **Completed loan modification application.** "Completed loan modification application" means all the documents and information reasonably necessary for a mortgagee to determine the mortgagor's eligibility for a loan modification program have been provided to the mortgagee.

Subd. 4. **Foreclosure.** "Foreclosure" means foreclosure of a residential mortgage loan by advertisement under chapter 580, by action under chapter 581, or by any other method permitted by law.

Subd. 5. **Incomplete loan modification application.** "Incomplete loan modification application" means a loan modification application that lacks documents or information necessary for a completed loan modification application, or a written submission from or on behalf of a mortgagor demonstrating the mortgagor's intent to seek a loan modification.

Subd. 6. **Loan modification.** "Loan modification" means a permanent alteration to the terms and conditions of a residential mortgage loan under a loan modification program.

Subd. 7. **Loan modification notice.** "Loan modification notice" means the notice required by section 47.194.

Subd. 8. **Loan modification program.** "Loan modification program" means any federal, state, or local government program that requires the mortgagee to make a loan modification to a residential mortgage loan or any other loan modification program the mortgagee offers voluntarily or offers or is required to offer in compliance with a settlement, court judgment, consent decree, or other resolution of a legal proceeding.

Subd. 9. **Mortgagee.** "Mortgagee" means a person foreclosing a residential mortgage, and any agent or employee of that person acting in connection with the foreclosure of a residential mortgage, including but not limited to a mortgagee, a mortgage servicer, or the owner of the mortgage loan.

Subd. 10. **Residential mortgage loan.** "Residential mortgage loan" means a mortgage loan on real property consisting of one to four family dwelling units, one of which the owner occupies as the owner's principal place of residency at the time of default.

Subd. 11. **Telephone contact attempt.** "Telephone contact attempt" means an attempt by the mortgagee to contact the mortgagor that complies with the requirements of section 47.193, subdivision 4.

Sec. 3. **[47.192] REQUISITES TO FORECLOSE.**

Subdivision 1. **Required recording of loan modification affidavit of compliance before foreclosure.** No foreclosure shall commence until the mortgagee has complied with this chapter. Before the notice required by section 580.021 is provided to the mortgagor, the mortgagee must record an affidavit of compliance. The affidavit must be accurate and must attach supporting documents that establish that all requirements of this chapter have been met. The affidavit must include the date, time, and name of the representative who made each required telephone contact attempt. Within five days of recording this affidavit, the mortgagee shall mail a copy of the affidavit to the mortgagor.

Subd. 2. Form of affidavit of compliance. To comply with the requirements of this chapter, a mortgagee must record an affidavit of compliance that appears substantially as follows:

LOAN MODIFICATION AFFIDAVIT OF COMPLIANCE

[Identifying information relating to the case, such as party names, addresses, contact information, etc.]

The undersigned, being duly sworn, hereby deposes and says:

1. I am the [job title] of [mortgagee] and am authorized to sign on behalf of [mortgagee].
2. I am familiar with the business records and procedures of [mortgagee].
3. I have specific knowledge of the mortgage loan held by the mortgagor and of all information sworn to in this affidavit.
4. [Mortgagee] has the right to proceed with foreclosure and is not required to offer a loan modification to mortgagor because (mortgagee MUST list one of the following reasons):

(1) Prior to mortgagor applying for a loan modification, [mortgagee] had reliable information that led the [mortgagee] in good faith to conclude that the mortgagor is ineligible for a loan modification program and has notified the mortgagor of that; (2) mortgagor did not send to [mortgagee] a loan modification application within 60 days of the sending of the loan modification notice; (3) mortgagor sent an incomplete loan modification application, was notified by [mortgagee] of the deficiencies, and has not remedied the missing information by the deadline for a completed loan modification application; (4) mortgagor sent a completed loan modification application, but based upon reliable information, and in good faith, [mortgagee] has concluded that mortgagor is ineligible for a modification and has notified the mortgagor; (5) mortgagor has sent a completed loan modification application and has been offered a loan modification, but has elected not to accept the modification offer; and (6) [mortgagee] has previously granted a mortgage loan modification to mortgagor, and mortgagor is in default on that mortgage loan modification agreement, and [mortgagee] has concluded in good faith that mortgagor is not eligible for any additional mortgage loan modification.

5. [Mortgagee] has notified the mortgagor of the reason listed above and complied with all notice requirements of this chapter.

6. Attached are documents which [mortgagee] represents to be accurate and correct and which support the reason listed above.

[Mortgagee must attach supporting documents that establish that all requirements of this chapter have been met].

Signature: [agent of mortgagee]

Legibly printed name [agent of mortgagee]

Sec. 4. [47.193] NOTICE REQUIREMENTS.

Subdivision 1. General. Notices required by this chapter must comply with the requirements of this section.

Subd. 2. Form of written notice. Written notices required by this chapter must be in 14-point boldface type. The color and format of the notice must not obscure or overshadow the content of the notice. The title of the notice must be in 20-point boldface type. The notice must be on its own, separate page and must not be accompanied by

any other documents or notices other than as specified in this chapter. The envelope or mailing package in which the notice is sent must be colored and contain the phrase "LOAN MODIFICATION INFORMATION" and "NOTICE REQUIRED BY THE STATE OF MINNESOTA" in a minimum of 14-point boldface type, located above the recipient's name and address. The written notices required by this chapter shall not contain any bills, requests for payment of current or past due amounts, collection notices, or references to collection of any kind, unless any such information is necessary for the determination of loan modification or is requested by the mortgagor. Any time a written response is required by the mortgagor, the mailing must include a return-addressed envelope. Any return-addressed envelope required by this chapter must state conspicuously, "Please consider sending this letter by a method that provides proof of delivery."

Subd. 3. **Delivery of written notices.** Notices required by this chapter must be sent to the last known address of the mortgagor. Notices must be sent by a method that provides proof of delivery. Notices required by this chapter shall also be transmitted within one business day in substantially similar form by email to the mortgagor if the mortgagee has a valid email address for the mortgagor.

Subd. 4. **Telephone contact attempt.** A telephone contact attempt by a mortgagee under this chapter must meet the following requirements:

(1) the mortgagee shall use the last known telephone number of the mortgagor;

(2) no call shall be initiated by the mortgagee between 9:00 p.m. and 8:00 a.m. in the mortgagor's time zone;

(3) all calls must be conducted by a live representative, and the use of automated dialers is prohibited; and

(4) the representative of the mortgagee must be authorized to and reasonably capable of discussing available loan modification programs and must encourage the mortgagor to take the next applicable steps for loan modification.

Subd. 5. **Transparency of loan modification formula.** The mortgagee shall publish on a Web site any net present value (NPV) formula the mortgagee uses to make any determination of eligibility under a loan modification program. Any NPV or similar tests and any data inputs used for making the determination of eligibility for a loan modification for a mortgagor must be retained by the mortgagee for a period of three years and must be provided to the mortgagor within seven days of request by the mortgagor.

Sec. 5. [47.194] NOTICES OF LOAN MODIFICATION AVAILABILITY.

Subdivision 1. **Notice required.** A mortgagee shall provide to the mortgagor the notices required by this section. The mortgagee may record an affidavit of compliance if the mortgagor fails to mail to the mortgagee a completed loan modification application or an incomplete loan modification application within 60 days of the mortgagee sending the notices.

Subd. 2. **Loan modification notice.** The mortgagee shall send to the mortgagor a notice that appears substantially as follows:

Loan Modification Notice

Date of Notice: (insert date sent)

Name of Mortgagor(s):

Why You are Getting This Notice

You may be eligible to prevent foreclosure by receiving a loan modification under a loan modification program. If you apply for a loan modification within 60 days from the date of this notice, you will have certain rights under Minnesota law to a prompt evaluation of your request for a loan modification.

You may apply for a loan modification by completing the enclosed Loan Modification Application and providing all requested information. We have included a return-addressed envelope for your convenience. Please consider sending these documents by a method that provides proof of delivery to ensure accurate record keeping.

Please Read Carefully

Please make sure to read this letter carefully so that you can take advantage of your potential options for a loan modification. Please make sure all documents mentioned in this letter are enclosed or available to you, and contact us immediately if a document is missing.

Foreclosure Prevention Counselor

We strongly encourage you to contact a foreclosure prevention counselor from the list below, and have the counselor review and assist you with your loan modification application.

Contact Information

[Mortgagee contact information, including mailing address, toll-free phone number, and e-mail address.]

[Contact information for at least one HUD-certified foreclosure counseling agency that serves the county in which the mortgagor lives and contact information for the Minnesota Home Ownership Center. Include: name, mailing address, toll-free phone number, e-mail address, and Web site.]

Subd. 3. **Application for loan modification.** The mortgagee shall send with the notice required by subdivision 2 an application form that appears substantially as follows:

Application for Loan Modification**YOU MAY BE ELIGIBLE FOR A LOAN MODIFICATION TO AVOID FORECLOSURE**

Date of Notice: (insert date sent)

Name of Mortgagor(s):

Property Address:

Please complete this loan application form and attach the documents and information requested from the "required documents list." Return the completed application to the address at the bottom of this form within 60 days of the date of this form.

For questions or assistance completing this application, please contact [mortgagee representative(s) who can provide assistance] at [telephone number of representative(s)] or [e-mail address of representative(s)] immediately; OR [loan counselor(s) who can provide assistance] at [telephone number of counselor(s)] or [e-mail address of counselor(s)].

Required Documents List. The following documents must be sent to us in order for us to process your loan modification application.

[All documents required by the applicable Loan Modification Program, listed separately and numbered, with attached documents listed first.]

Attached Documents List. To make your application as easy as possible, we have included some of the documents you need to complete in order to apply for a modification. These documents are listed below. Remember that they must be sent with all materials listed in the Required Documents List. Please verify that every document listed below is included:

[All documents required by the applicable loan modification program which can be provided by the mortgagee must be attached, listed separately, and numbered.]

If any of these documents is not included in this packet, please contact [mortgagee representative(s) who can forward the missing information] at [telephone number of representative(s)] or [e-mail address of representative(s)] immediately.

PLEASE MAKE A COPY OF ALL ENCLOSED FORMS AND DOCUMENTS FOR YOUR RECORDS.

For accurate record keeping, we strongly encourage you to send this completed form and all requested documents with return receipt requested or by other method with proof of delivery to the address below:

[mortgagee's mailing address]

Thank you. [Mortgagee] will contact you within 30 days of receipt to inform you of the status of your loan modification application.

Subd. 4. **Required attached documents.** The mortgagee shall enclose any documents required for a completed loan modification application which can be provided by the mortgagee.

Subd. 5. **Telephone contact attempt required.** The mortgagee is required to make six telephone contact attempts to inform the mortgagor of possible eligibility for a loan modification program within 50 days after the date the loan modification notice is sent. If the mortgagee speaks with the mortgagor or someone authorized to speak on behalf of the mortgagor, no further contact attempts are required under this subdivision.

Subd. 6. **Deadline notice.** If the mortgagee has not received a completed loan modification application or incomplete loan modification application 50 days after the date the loan modification notice is sent, the mortgagor shall within five days do the following: (1) make one telephone contact attempt to inform the mortgagor of the approaching deadline and communicate to the mortgagor the documents necessary to submit a loan modification application; and (2) if mortgagee has an email address for the mortgagor, send an e-mail to the mortgagor stating the approaching deadline.

Sec. 6. **[47.195] NOTICE OF INCOMPLETE LOAN MODIFICATION APPLICATION.**

Subdivision 1. **Receipt of incomplete loan modification application.** If the mortgagor mails an incomplete loan modification application within 60 days of the date the loan modification notice is sent by the mortgagee, the mortgagee must send to the mortgagor the notice required by subdivision 2 within ten days of the receipt of the incomplete loan application. The mortgagee may record an affidavit of compliance if the mortgagor has not mailed to the mortgagee a completed loan application within 30 days after the date of mailing of the notice required by subdivision 2, but not less than 60 days after the date the loan modification notice is sent by the mortgagee.

Subd. 2. **Incomplete loan modification application notice.** If an incomplete loan modification application has been received by the mortgagee, the mortgagee must send a notice to the mortgagor that appears substantially as follows:

NOTICE OF INCOMPLETE LOAN MODIFICATION APPLICATION

Date of Notice: (insert date sent)

Name of Mortgagor(s):

You recently submitted an application for a loan modification. Unfortunately, it was not complete. We require more information to evaluate your eligibility for a modification.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AS SOON AS POSSIBLE:

[numbered list of all missing or incomplete documents, described in plain language. For each incomplete document, the mortgagee must describe in plain language the information that is missing.]

PLEASE NOTE: We must receive this information within 30 days of the date of this notice for you to protect certain rights under Minnesota law to a prompt evaluation of your request for a loan modification.

Subd. 3. **Inclusions with incomplete loan modification application.** The second page of this notice must be a glossary describing the nature of any missing or incomplete documents and in plain language where the documents are available and how to submit them. If the mortgagor has partially completed a form from section 47.194, any information from that form must be included on the copy sent to the mortgagor pursuant to this section, with the locations of the missing information conspicuously marked.

Subd. 4. **Telephone contact attempts.** The mortgagee must make three telephone contact attempts to inform the mortgagor of any deficiencies necessary to make a completed loan modification application. The first telephone contact attempt must be made within ten days of receipt of the incomplete loan modification application, and all three attempts must be completed within 15 days of the first attempt.

Sec. 7. **[47.196] NOTICE OF DETERMINATION.**

Subdivision 1. **Determination required.** The mortgagee must determine eligibility for each loan modification program for which the mortgagor may be eligible and issue a notice of determination as specified under this section within 30 days of the receipt of a completed loan modification application. The mortgagee shall comply with all guidelines and requirements of each loan modification program in connection with this determination.

Subd. 2. **Loan modification offer.** If the mortgagee determines that the mortgagor is eligible for a loan modification program, the mortgagee shall state the following in plain language in a written notice of the loan modification offer or offers for each loan modification program for which the mortgagor is eligible: a description of the terms of the modified loan offer; an explanation of any required timeline to respond to the offer; that the mortgagee is permitted to initiate foreclosure proceedings upon failure of the mortgagor to accept the offer; instructions regarding how the mortgagor should respond to the offer; and accurate contact information for how the mortgagor should respond to the offer.

Subd. 3. **Refusal to offer loan modification.** If the mortgagee determines that the mortgagor is not eligible for any loan modification program, the mortgagee shall state the following in plain language in a written notice: the timeline and procedures, if applicable, for how the mortgagor may request review of the determination; that failure to do so will free the mortgagee to initiate foreclosure proceedings; and the toll-free telephone number, address,

e-mail address, and other contact information that will provide access during regular business hours to a live representative authorized to discuss the determination on behalf of the mortgagee. The timeline for the mortgagor to request a review of the determination must be at least 30 days after the date of mailing of the written notice of ineligibility and must be stated prominently in the written notice of ineligibility. The written notice of ineligibility must be accompanied by a form for the mortgagee to use in appealing the determination of ineligibility. The mortgagee may record an affidavit of compliance after making a determination in good faith that the mortgagor is ineligible for a loan modification, but the mortgagee shall not record an affidavit of compliance until at least 35 days after mailing the notice of ineligibility.

Subd. 4. **General inclusions.** Any notice described in this section must contain a detailed, clear description of any and all net present value (NPV) calculations used in making the determination, instructions explaining how to access the published NPV calculations contained on the mortgagee's Web site as required under section 47.193, subdivision 5, and a plain language statement that if the mortgagor believes there is an error in any element of the determination that the mortgagor has the right to contact an attorney or loan counselor for assistance. This mailing must include any and all data inputs used in the NPV calculations, which must be on a separate piece of paper.

Sec. 8. [47.197] NOTICE FOR INELIGIBLE HOMEOWNER.

The mortgagee may record an affidavit of compliance if, prior to sending the loan modification notices, the mortgagee has reliable information that leads the mortgagee in good faith to conclude that the mortgagor is ineligible for any applicable loan modification program. Ten days prior to recording the affidavit of compliance, the mortgagee must send a written communication to the ineligible mortgagor. This written communication must contain a plain language statement explaining why the mortgagor is ineligible, and a toll-free telephone number, address, and e-mail address of a representative of the mortgagee that the mortgagor may contact to dispute any finding of ineligibility. The plain language statement must state that the mortgagor may contact a loan counselor or foreclosure prevention counselor for advice.

Sec. 9. [47.198] ENFORCEMENT; REMEDIES.

Subdivision 1. **Private right of action.** A mortgagee who fails to comply with any provision of this chapter is liable to a mortgagor for actual, incidental, and consequential damages in a private right of action and for any or all other remedies specified in this section.

Subd. 2. **Statutory damages.** (a) A mortgagee who violates any provision of this chapter is liable to the mortgagor for up to \$2,000 for each violation.

(b) De minimus violations are not subject to the statutory damages available under this subdivision.

Subd. 3. **Punitive damages.** (a) A mortgagor is entitled to punitive damages under paragraphs (b) and (c) and section 549.20.

(b) The court may award punitive damages if the mortgagee has failed to issue a notice of determination within 30 days of the mortgagee's receipt of a completed loan modification application. There is a rebuttable presumption that all required documentation has been provided to the mortgagee for purposes of a completed loan modification application if the mortgagor can provide:

(1) copies of all such required documents to the court; and either

(2) proof of mortgagee's receipt of a completed loan modification application; or

(3) a sworn affidavit by a HUD-approved counseling agency or substantially similar third party that those documents were sent to the mortgagee.

(c) The court may award punitive damages to the mortgagor if the mortgagee did not in good faith attempt to comply with the standards, duties, prohibitions, or requirements of this chapter. Factors the court must consider in determining a lack of good faith include, but are not limited to:

(1) the frequency, nature, and persistence of noncompliance;

(2) a pattern of violations;

(3) the extent to which the violation was reckless or intentional; or

(4) a violation that results in, or substantially contributes to, the mortgagor's loss of home.

Subd. 4. **Injunctive relief.** The court may issue an injunction to prevent violations of this chapter and to enjoin foreclosure in violation of this chapter.

Subd. 5. **Reimbursement for litigation costs.** A prevailing plaintiff shall recover costs and disbursements of the action, plus reasonable attorney fees.

Subd. 6. **Remedies cumulative.** The remedies provided in this section are cumulative and do not restrict any remedy that is otherwise available.

Subd. 7. **Public enforcement.** (a) The attorney general may enforce this chapter under section 8.31.

(b) The commissioner of commerce may enforce this chapter under chapter 45.

Sec. 10. [47.199] APPLICABILITY TO PRIORITY OF LOANS.

A loan modification, as defined in section 47.191, does not affect the priority of the lien of the mortgage that secures the loan."

Page 3, after line 1, insert:

"Sec. 14. **EFFECTIVE DATE; APPLICABILITY.**

Sections 2 to 10 are effective 60 days after enactment, and apply to foreclosures of residential mortgages commenced 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 Mullery amendment and the roll was called. There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Allen	Eken	Hornstein	Lesch	Murphy, E.	Simon
Anzelc	Falk	Hortman	Liebling	Murphy, M.	Slawik
Atkins	Franson	Hosch	Lillie	Nelson	Slocum
Benson, J.	Fritz	Huntley	Loeffler	Norton	Thissen
Brynaert	Gauthier	Johnson	Mahoney	Paymar	Wagenius
Carlson	Greene	Kahn	Mariani	Pelowski	Ward
Champion	Greiling	Kath	Marquart	Persell	Winkler
Clark	Hansen	Knuth	Melin	Peterson, S.	
Davnie	Hausman	Koenen	Moran	Poppe	
Dill	Hilstrom	Laine	Morrow	Rukavina	
Dittrich	Hilty	Lenczewski	Mullery	Scalze	

Those who voted in the negative were:

Abeler	Daudt	Gunther	Lanning	Murray	Smith
Anderson, B.	Davids	Hackbarth	Leidiger	Myhra	Stensrud
Anderson, D.	Dean	Hamilton	LeMieur	Nornes	Swedzinski
Anderson, P.	Dettmer	Hancock	Lohmer	O'Driscoll	Torkelson
Anderson, S.	Doepke	Holberg	Loon	Peppin	Urdahl
Banaian	Downey	Hoppe	Mack	Petersen, B.	Vogel
Barrett	Drazkowski	Howes	Mazorol	Quam	Wardlow
Beard	Erickson	Kelly	McDonald	Runbeck	Westrom
Benson, M.	Fabian	Kieffer	McElpatrick	Sanders	Woodard
Buesgens	Garofalo	Kiel	McFarlane	Schomacker	Spk. Zellers
Cornish	Gottwalt	Kiffmeyer	McNamara	Scott	
Crawford	Gruenhagen	Kriesel	Murdock	Shimanski	

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

Davnie moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 1, after line 19, insert:

"Sec. 2. **[47.222] RESPONSE TO SHORT SALE REQUESTS.**

Subdivision 1. Short sale defined. For purposes of this section, "short sale" means a sale by a homeowner of the homeowner's mortgaged home to a buyer for a price that is less than the amount owed on the mortgage loan.

Subd. 2. Prompt response by lender. If a homeowner requests approval of the lender for a short sale of property on which the lender holds a mortgage, the lender must respond in writing to the request, either accepting it, denying it, or accepting it subject to conditions, within 30 days after receiving the request. The response by the lender must state the reason or reasons for a denial or for an acceptance subject to conditions.

Subd. 3. Effect of failure to respond by lender. If the lender fails to respond in compliance with subdivision 2, the homeowner becomes entitled to a redemption period of 12 months and the loss of any right the lender might otherwise have to obtain a deficiency judgment in the event of a future foreclosure of the loan. This subdivision applies notwithstanding anything to the contrary in section 580.23."

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 Davnie amendment and the roll was called. There were 62 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Allen	Eken	Hornstein	Lesch	Murphy, E.	Simon
Anzelc	Falk	Hortman	Liebling	Murphy, M.	Slawik
Atkins	Franson	Hosch	Lillie	Nelson	Slocum
Benson, J.	Fritz	Huntley	Loeffler	Norton	Thissen
Brynaert	Gauthier	Johnson	Mahoney	Paymar	Wagenius
Carlson	Greene	Kahn	Mariani	Pelowski	Ward
Champion	Greiling	Kath	Marquart	Persell	Winkler
Clark	Hansen	Knuth	Melin	Peterson, S.	
Davnie	Hausman	Koenen	Moran	Poppe	
Dill	Hilstrom	Laine	Morrow	Rukavina	
Dittrich	Hilty	Lenczewski	Mullery	Scalze	

Those who voted in the negative were:

Abeler	Crawford	Gruenhagen	Kriesel	Murdock	Shimanski
Anderson, B.	Daudt	Gunther	Lanning	Murray	Smith
Anderson, D.	Dauids	Hackbarth	Leidiger	Myhra	Stensrud
Anderson, P.	Dean	Hamilton	LeMieur	Nornes	Swedzinski
Anderson, S.	Dettmer	Hancock	Lohmer	O'Driscoll	Torkelson
Banaian	Doepke	Holberg	Loon	Peppin	Urdahl
Barrett	Downey	Hoppe	Mack	Petersen, B.	Vogel
Beard	Drazkowski	Howes	Mazorol	Quam	Wardlow
Benson, M.	Erickson	Kelly	McDonald	Runbeck	Westrom
Bills	Fabian	Kieffer	McElfratrick	Sanders	Woodard
Buesgens	Garofalo	Kiel	McFarlane	Schomacker	Spk. Zellers
Cornish	Gottwalt	Kiffmeyer	McNamara	Scott	

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

Clark moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 1, after line 19, insert:

"Sec. 2. **[47.221] TRANSPARENCY IN LOAN MODIFICATION CRITERIA.**

A state-chartered bank shall provide to all of its residential mortgage loan customers in writing, the criteria the bank uses in determining eligibility for a loan modification. The bank shall provide the criteria at least once per year, within 30 days after each change in the criteria, and upon request. If the bank denies an application for a loan modification, the bank shall notify the customer in writing within five days of the decision and provide an explanation of how the customer failed to meet the criteria. The bank must provide the customer with accurate information about the lender."

Page 2, after line 32, insert:

"Sec. 4. Minnesota Statutes 2011 Supplement, section 580.041, subdivision 2, is amended to read:

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

"Help For Homeowners in Foreclosure

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

It is being prepared for:

 (Lender name, loss mitigation phone number)

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

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

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

Getting Help

As soon as possible, you should contact your lender at the above number to talk about things you might be able to do to prevent foreclosure. You may be eligible for a loan modification from your lender. You have the right to ask your lender for a statement in writing describing how the lender decides whether to agree to modify a loan. You should also consider contacting the foreclosure prevention counselor in your area. A foreclosure prevention counselor can answer your questions, offer free advice, and help you create a plan which makes sense for your situation.

Contact the Minnesota Home Ownership Center at 651-659-9336 or 866-462-6466 or www.hocmn.org or contact the United States Department of Housing and Urban Development at 1-800-569-4287 or www.hud.gov to get the phone number and location of the nearest certified counseling organization. Call today. The longer you wait, the fewer options you may have for a desirable result."

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 Clark amendment and the roll was called. There were 62 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Allen	Carlson	Dittrich	Gauthier	Hilstrom	Huntley
Anzelc	Champion	Eken	Greene	Hilty	Johnson
Atkins	Clark	Falk	Greiling	Hornstein	Kahn
Benson, J.	Davnie	Franson	Hansen	Hortman	Kath
Brynaert	Dill	Fritz	Hausman	Hosch	Knuth

Koenen	Loeffler	Morrow	Paymar	Scalze	Ward
Laine	Mahoney	Mullery	Pelowski	Simon	Winkler
Lenczewski	Mariani	Murphy, E.	Persell	Slawik	
Lesch	Marquart	Murphy, M.	Peterson, S.	Slocum	
Liebling	Melin	Nelson	Poppe	Thissen	
Lillie	Moran	Norton	Rukavina	Wagenius	

Those who voted in the negative were:

Abeler	Crawford	Gruenhagen	Kriesel	Murdock	Shimanski
Anderson, B.	Daudt	Gunther	Lanning	Murray	Smith
Anderson, D.	Davids	Hackbarth	Leidiger	Myhra	Stensrud
Anderson, P.	Dean	Hamilton	LeMieur	Nornes	Swedzinski
Anderson, S.	Dettmer	Hancock	Lohmer	O'Driscoll	Torkelson
Banaian	Doepke	Holberg	Loon	Peppin	Urdahl
Barrett	Downey	Hoppe	Mack	Petersen, B.	Vogel
Beard	Drazkowski	Howes	Mazorol	Quam	Wardlow
Benson, M.	Erickson	Kelly	McDonald	Runbeck	Westrom
Bills	Fabian	Kieffer	McElpatrick	Sanders	Woodard
Buesgens	Garofalo	Kiel	McFarlane	Schomacker	Spk. Zellers
Cornish	Gottwalt	Kiffmeyer	McNamara	Scott	

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

Hortman moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 1, after line 19, insert:

"Sec. 2. **[47.22] REFINANCING OPPORTUNITY REQUIRED; CERTAIN HOME MORTGAGE LOAN BORROWERS.**

Subdivision 1. Qualifications. This section applies to:

(1) a bank chartered in this state; and

(2) a home mortgage loan customer of the bank whose mortgage loan:

(i) was originated prior to January 1, 2009;

(ii) is current on payments;

(iii) had not been delinquent at any time within the preceding 12 months;

(iv) has a current interest rate of 5.25 percent or higher; and

(v) has a loan-to-value ratio in excess of 100 percent.

Subd. 2. Opportunity to refinance. A bank described in subdivision 1, clause (1), must offer to an existing home mortgage loan customer described in subdivision 1, clause (2), an opportunity to refinance the loan at a lower interest rate. The offer must not be conditional upon the customer's payment of fees to the bank that exceed the cost actually and reasonably incurred in connection with the refinancing. The offer to refinance must be made no later than 60 days after the date of enactment of this section. The offer must remain available for acceptance by the borrower for at least 60 days after the date the offer is communicated.

Subd. 3. **Consequence of noncompliance by the bank.** If the bank does not comply with subdivision 2, and the bank begins foreclosure of the mortgage, the redemption period is 12 months, notwithstanding a shorter period specified in section 580.23.

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 did not prevail and the amendment was not adopted.

Davnie moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 1, after line 19, insert:

"Sec. 2. **[47.223] NO FEES FOR SERVICES NOT PROVIDED.**

A mortgage lender or mortgage broker shall not charge fees or other charges in connection with origination of a mortgage loan for alleged services that the lender or broker did not provide or fees or charges that exceed the cost paid to a third party for products or services provided through the lender or broker by a third party."

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 Davnie amendment and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Allen	Eken	Hornstein	Lesch	Murphy, E.	Scalze
Anzelc	Falk	Hortman	Liebling	Murphy, M.	Simon
Atkins	Franson	Hosch	Lillie	Nelson	Slawik
Benson, J.	Fritz	Huntley	Loeffler	Norton	Slocum
Brynaert	Gauthier	Johnson	Mahoney	Paymar	Stensrud
Carlson	Greene	Kahn	Mariani	Pelowski	Thissen
Champion	Greiling	Kath	Marquart	Peppin	Wagenius
Clark	Hansen	Knuth	Melin	Persell	Ward
Davnie	Hausman	Koenen	Moran	Peterson, S.	Winkler
Dill	Hilstrom	Laine	Morrow	Poppe	
Dittrich	Hilty	Lenczewski	Mullery	Rukavina	

Those who voted in the negative were:

Abeler	Anderson, P.	Barrett	Bills	Crawford	Dean
Anderson, B.	Anderson, S.	Beard	Buesgens	Daudt	Dettmer
Anderson, D.	Banaian	Benson, M.	Cornish	Davids	Doepke

Downey	Hamilton	Kriesel	McElfatrick	Quam	Urdahl
Drazkowski	Hancock	Lanning	McFarlane	Runbeck	Vogel
Erickson	Holberg	Leidiger	McNamara	Sanders	Wardlow
Fabian	Hoppe	LeMieur	Murdock	Schomacker	Westrom
Garofalo	Howes	Lohmer	Murray	Scott	Woodard
Gottwalt	Kelly	Loon	Myhra	Shimanski	Spk. Zellers
Gruenhagen	Kieffer	Mack	Nornes	Smith	
Gunther	Kiel	Mazorol	O'Driscoll	Swedzinski	
Hackbarth	Kiffmeyer	McDonald	Petersen, B.	Torkelson	

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

Atkins moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 2, delete lines 13 to 18

A roll call was requested and properly seconded.

The question was taken on the Atkins amendment and the roll was called. There were 52 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Allen	Dill	Hilstrom	Koenen	Moran	Rukavina
Anzelc	Eken	Hilty	Laine	Morrow	Scalze
Atkins	Falk	Hornstein	Lesch	Mullery	Simon
Benson, J.	Fritz	Hortman	Liebling	Murphy, E.	Slawik
Brynaert	Gauthier	Hosch	Lillie	Murphy, M.	Slocum
Carlson	Greene	Huntley	Loeffler	Nelson	Wagenius
Champion	Greiling	Johnson	Mahoney	Paymar	Ward
Clark	Hansen	Kahn	Mariani	Persell	
Davnie	Hausman	Knuth	Melin	Peterson, S.	

Those who voted in the negative were:

Abeler	Dauids	Hackbarth	LeMieur	Nornes	Stensrud
Anderson, B.	Dean	Hamilton	Lenczewski	Norton	Swedzinski
Anderson, D.	Dettmer	Hancock	Lohmer	O'Driscoll	Torkelson
Anderson, P.	Dittrich	Holberg	Loon	Pelowski	Urdahl
Anderson, S.	Doepke	Hoppe	Mack	Peppin	Vogel
Banaian	Downey	Howes	Marquart	Petersen, B.	Wardlow
Barrett	Drazkowski	Kath	Mazorol	Poppe	Westrom
Beard	Erickson	Kelly	McDonald	Quam	Winkler
Benson, M.	Fabian	Kieffer	McElfatrick	Runbeck	Woodard
Bills	Franson	Kiel	McFarlane	Sanders	Spk. Zellers
Buesgens	Garofalo	Kiffmeyer	McNamara	Schomacker	
Cornish	Gottwalt	Kriesel	Murdock	Scott	
Crawford	Gruenhagen	Lanning	Murray	Shimanski	
Daudt	Gunther	Leidiger	Myhra	Smith	

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

Clark, Kahn, Norton, Allen and Liebling moved to amend S. F. No. 1735, the first engrossment, as follows:

Page 2, after line 32, insert:

"Sec. 3. **MONEY TRANSFER BUSINESSES.**

Financial institutions in the state are urged to find an amicable solution that facilitates the normal flow of remittances between Somali-American communities in Minnesota and relatives living in the Horn of Africa without compromising the safety and security of the state and United States."

Renumber the sections in sequence and correct the internal references

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

S. F. No. 1735, A bill for an act relating to financial institutions; clarifying state bank closures for holidays; making changes in state bank lending limits to comply with federal law; repealing obsolete language relating to deposits payable on demand; amending Minnesota Statutes 2010, sections 47.015, subdivision 2; 48.24, subdivision 1; repealing Minnesota Statutes 2010, sections 48.50; 48.51.

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 81 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Abeler	Daudt	Gruenhagen	Kriesel	Myhra	Smith
Anderson, B.	Dauids	Gunther	Lanning	Nornes	Stensrud
Anderson, D.	Dean	Hackbarth	Leidiger	Norton	Swedzinski
Anderson, P.	Dettmer	Hamilton	LeMieur	O'Driscoll	Torkelson
Anderson, S.	Doepke	Hancock	Lohmer	Pelowski	Urdahl
Banaian	Downey	Holberg	Loon	Peppin	Vogel
Barrett	Drazkowski	Hoppe	Mack	Petersen, B.	Wardlow
Beard	Eken	Howes	Mazorol	Poppe	Westrom
Benson, J.	Erickson	Kath	McDonald	Quam	Winkler
Benson, M.	Fabian	Kelly	McElpatrick	Runbeck	Woodard
Bills	Franson	Kieffer	McFarlane	Sanders	Spk. Zellers
Buesgens	Fritz	Kiel	McNamara	Schomacker	
Cornish	Garofalo	Kiffmeyer	Murdock	Scott	
Crawford	Gottwalt	Koenen	Murray	Shimanski	

Those who voted in the negative were:

Allen	Dittrich	Hornstein	Lesch	Morrow	Scalze
Anzelc	Falk	Hortman	Liebling	Mullery	Simon
Atkins	Gauthier	Hosch	Lillie	Murphy, E.	Slawik
Brynaert	Greene	Huntley	Loeffler	Murphy, M.	Slocum
Carlson	Greiling	Johnson	Mahoney	Nelson	Thissen
Champion	Hansen	Kahn	Mariani	Paymar	Ward
Clark	Hausman	Knuth	Marquart	Persell	
Davnie	Hilstrom	Laine	Melin	Peterson, S.	
Dill	Hilty	Lenczewski	Moran	Rukavina	

The bill was passed and its title agreed to.

Thissen was excused between the hours of 3:45 p.m. and 4:00 p.m.

H. F. No. 1629, A bill for an act relating to economic development; modifying Explore Minnesota Tourism Council; amending Minnesota Statutes 2010, section 116U.25.

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 112 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hilstrom	Lanning	Morrow	Sanders
Allen	Dill	Hilty	Leidiger	Mullery	Scalze
Anderson, B.	Dittrich	Hoppe	LeMieur	Murdock	Schomacker
Anderson, D.	Drazkowski	Hornstein	Lenczewski	Murphy, E.	Scott
Anderson, P.	Eken	Hortman	Lesch	Murphy, M.	Shimanski
Anzelc	Fabian	Hosch	Lillie	Murray	Simon
Atkins	Falk	Howes	Loeffler	Myhra	Slawik
Banaian	Franson	Huntley	Loon	Nelson	Slocum
Beard	Fritz	Johnson	Mack	Nornes	Smith
Benson, J.	Garofalo	Kahn	Mahoney	Norton	Swedzinski
Benson, M.	Gauthier	Kath	Mariani	O'Driscoll	Torkelson
Bills	Gottwalt	Kelly	Marquart	Paymar	Urdahl
Brynaert	Greiling	Kieffer	Mazorol	Pelowski	Vogel
Carlson	Gunther	Kiel	McDonald	Persell	Ward
Champion	Hackbarth	Kiffmeyer	McElfratrick	Petersen, B.	Westrom
Clark	Hamilton	Knuth	McFarlane	Peterson, S.	Winkler
Cornish	Hancock	Koenen	McNamara	Poppe	Spk. Zellers
Daudt	Hansen	Kriesel	Melin	Quam	
Davids	Hausman	Laine	Moran	Rukavina	

Those who voted in the negative were:

Anderson, S.	Davnie	Erickson	Liebling	Stensrud
Barrett	Dean	Greene	Lohmer	Wardlow
Buesgens	Doepke	Gruenhagen	Peppin	Woodard
Crawford	Downey	Holberg	Runbeck	

The bill was passed and its title agreed to.

S. F. No. 1586 was reported to the House.

Poppe moved to amend S. F. No. 1586, the unofficial engrossment, as follows:

Page 3, after line 10, insert:

"Sec. 2. Minnesota Statutes 2010, section 609.255, subdivision 3, is amended to read:

Subd. 3. **Unreasonable restraint of children.** A parent, legal guardian, or caretaker who intentionally subjects a child under the age of 18 years to unreasonable physical confinement or restraint by means including but not limited to, tying, locking, caging, or chaining for a prolonged period of time and in a cruel manner which is excessive under the circumstances, is guilty of unreasonable restraint of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. If the confinement or restraint results in ~~substantial~~ demonstrable bodily harm, that person may be sentenced to imprisonment for not more than five years or to payment of not more than \$10,000, or both.

EFFECTIVE DATE. The section is effective August 1, 2012, and applies to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1586, A bill for an act relating to public safety; adding a felony-level penalty and affirmative defenses to the vulnerable adult neglect crime; amending Minnesota Statutes 2010, section 609.233.

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 128 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Hansen	Leidiger	Murdock	Shimanski
Allen	Dettmer	Hausman	LeMieur	Murphy, E.	Simon
Anderson, D.	Dill	Hilstrom	Lenczewski	Murphy, M.	Slawik
Anderson, P.	Dittrich	Holberg	Lesch	Murray	Slocum
Anderson, S.	Doepke	Hoppe	Liebling	Myhra	Smith
Anzelc	Downey	Hornstein	Lillie	Nelson	Stensrud
Atkins	Drazkowski	Hortman	Loeffler	Nornes	Swedzinski
Banaian	Eken	Hosch	Lohmer	Norton	Thissen
Barrett	Erickson	Howes	Loon	O'Driscoll	Torkelson
Beard	Fabian	Huntley	Mack	Paymar	Urdahl
Benson, J.	Falk	Johnson	Mahoney	Pelowski	Vogel
Benson, M.	Fritz	Kahn	Mariani	Peppin	Wagenius
Bills	Garofalo	Kath	Marquart	Persell	Ward
Brynaert	Gauthier	Kelly	Mazorol	Petersen, B.	Wardlow
Carlson	Gottwalt	Kieffer	McDonald	Peterson, S.	Westrom
Champion	Greene	Kiel	McElpatrick	Poppe	Winkler
Clark	Greiling	Kiffmeyer	McFarlane	Quam	Woodard
Cornish	Gruenhagen	Knuth	McNamara	Runbeck	Spk. Zellers
Crawford	Gunther	Koenen	Melin	Sanders	
Daudt	Hackbarth	Kriesel	Moran	Scalze	
Davids	Hamilton	Laine	Morrow	Schomacker	
Davnie	Hancock	Lanning	Mullery	Scott	

Those who voted in the negative were:

Anderson, B.	Buesgens	Franson	Rukavina
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The bill was passed, as amended, and its title agreed to.

H. F. No. 2676 was reported to the House.

Murphy, E., moved to amend H. F. No. 2676 as follows:

Page 1, line 14, after "medical care" insert ", including medically accurate contraceptive counseling"

A roll call was requested and properly seconded.

The question was taken on the Murphy, E., amendment and the roll was called. There were 55 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Allen	Dill	Hornstein	Liebling	Murphy, E.	Slawik
Anderson, S.	Dittrich	Hortman	Lillie	Nelson	Slocum
Anzelc	Falk	Hosch	Loeffler	Norton	Thissen
Atkins	Gauthier	Huntley	Loon	Paymar	Wagenius
Benson, J.	Greene	Johnson	Mahoney	Persell	Winkler
Brynaert	Greiling	Kahn	Mariani	Peterson, S.	
Carlson	Hansen	Kath	Melin	Poppe	
Champion	Hausman	Knuth	Moran	Rukavina	
Clark	Hilstrom	Laine	Morrow	Scalze	
Davnie	Hilty	Lesch	Mullery	Simon	

Those who voted in the negative were:

Abeler	Davids	Gruenhagen	Kriesel	Murdock	Smith
Anderson, B.	Dean	Gunther	Lanning	Murray	Stensrud
Anderson, D.	Dettmer	Hackbarth	Leidiger	Myhra	Swedzinski
Anderson, P.	Doepke	Hamilton	LeMieur	Nornes	Torkelson
Banaian	Downey	Hancock	Lenczewski	O'Driscoll	Urdahl
Barrett	Drazkowski	Holberg	Lohmer	Pelowski	Vogel
Beard	Eken	Hoppe	Mack	Peppin	Ward
Benson, M.	Erickson	Howes	Marquart	Quam	Wardlow
Bills	Fabian	Kelly	Mazorol	Runbeck	Westrom
Buesgens	Franson	Kieffer	McDonald	Sanders	Woodard
Cornish	Fritz	Kiel	McElfatrick	Schomacker	Spk. Zellers
Crawford	Garofalo	Kiffmeyer	McFarlane	Scott	
Daudt	Gottwalt	Koenen	McNamara	Shimanski	

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

H. F. No. 2676, A bill for an act relating to health; modifying eligibility for grants; amending Minnesota Statutes 2010, section 145.4235, 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 104 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Abeler	Daudt	Gunther	Kriesel	Murdock	Scott
Anderson, B.	Davids	Hackbarth	Laine	Murphy, M.	Shimanski
Anderson, D.	Dean	Hamilton	Lanning	Murray	Simon
Anderson, P.	Dettmer	Hancock	Leidiger	Myhra	Smith
Anderson, S.	Dill	Hansen	LeMieur	Nornes	Stensrud
Anzenc	Dittrich	Holberg	Lenczewski	Norton	Swedzinski
Atkins	Doepke	Hoppe	Lillie	O'Driscoll	Torkelson
Banaian	Downey	Hortman	Lohmer	Pelowski	Urdahl
Barrett	Drazkowski	Hosch	Loon	Peppin	Vogel
Beard	Eken	Howes	Mack	Persell	Ward
Benson, J.	Erickson	Huntley	Marquart	Petersen, B.	Wardlow
Benson, M.	Fabian	Kath	Mazorol	Peterson, S.	Westrom
Bills	Franson	Kelly	McDonald	Poppe	Woodard
Brynaert	Fritz	Kieffer	McElfatrick	Quam	Spk. Zellers
Buesgens	Garofalo	Kiel	McFarlane	Runbeck	
Champion	Gottwalt	Kiffmeyer	McNamara	Sanders	
Cornish	Greiling	Knuth	Melin	Scalze	
Crawford	Gruenhagen	Koenen	Morrow	Schomacker	

Those who voted in the negative were:

Allen	Gauthier	Hornstein	Loeffler	Nelson	Thissen
Carlson	Greene	Johnson	Mahoney	Paymar	Wagenius
Clark	Hausman	Kahn	Mariani	Rukavina	Winkler
Davnie	Hilstrom	Lesch	Moran	Slawik	
Falk	Hilty	Liebling	Murphy, E.	Slocum	

The bill was passed and its title agreed to.

H. F. No. 2638 was reported to the House.

Anderson, D., moved to amend H. F. No. 2638, the first engrossment, as follows:

Page 5, line 12, delete everything after the period

Page 5, delete lines 13 to 15

The motion prevailed and the amendment was adopted.

H. F. No. 2638, A bill for an act relating to insurance; regulating sale of portable electronics insurance; amending Minnesota Statutes 2010, section 60K.381.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Davnie	Hancock	Lanning	Murdock	Shimanski
Allen	Dean	Hansen	Leidiger	Murphy, E.	Simon
Anderson, B.	Dettmer	Hausman	LeMieur	Murphy, M.	Slawik
Anderson, D.	Dill	Hilstrom	Lenczewski	Murray	Slocum
Anderson, P.	Dittrich	Hilty	Lesch	Myhra	Smith
Anderson, S.	Doepke	Holberg	Liebling	Nelson	Stensrud
Anzelc	Downey	Hoppe	Lillie	Nornes	Swedzinski
Atkins	Drazkowski	Hornstein	Loeffler	Norton	Thissen
Banaian	Eken	Hortman	Lohmer	O'Driscoll	Torkelson
Barrett	Erickson	Hosch	Loon	Paymar	Urdahl
Beard	Fabian	Howes	Mack	Pelowski	Vogel
Benson, J.	Falk	Huntley	Mahoney	Peppin	Wagenius
Benson, M.	Franson	Johnson	Mariani	Persell	Ward
Bills	Fritz	Kahn	Marquart	Petersen, B.	Wardlow
Brynaert	Garofalo	Kath	Mazorol	Peterson, S.	Westrom
Buesgens	Gauthier	Kelly	McDonald	Poppe	Winkler
Carlson	Gottwalt	Kieffer	McElfrick	Quam	Woodard
Champion	Greene	Kiel	McFarlane	Rukavina	Spk. Zellers
Clark	Greiling	Kiffmeyer	McNamara	Runbeck	
Cornish	Gruenhagen	Knuth	Melin	Sanders	
Crawford	Gunther	Koenen	Moran	Scalze	
Daudt	Hackbarth	Kriesel	Morrow	Schomacker	
Davids	Hamilton	Laine	Mullery	Scott	

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

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

MOTIONS AND RESOLUTIONS

Holberg moved that the name of Liebling be added as an author on H. F. No. 2329. The motion prevailed.

Franson moved that the name of Mahoney be added as an author on H. F. No. 2963. The motion prevailed.

Persell moved that H. F. No. 2934 be recalled from the Committee on State Government Finance and be re-referred to the Committee on Ways and Means.

A roll call was requested and properly seconded.

The question was taken on the Persell motion and the roll was called. There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Allen	Benson, J.	Champion	Dill	Falk	Greene
Anzelc	Brynaert	Clark	Dittrich	Fritz	Greiling
Atkins	Carlson	Davnie	Eken	Gauthier	Hansen

Hausman	Johnson	Lesch	Moran	Pelowski	Thissen
Hilstrom	Kahn	Liebling	Morrow	Persell	Wagenius
Hilty	Kath	Lillie	Mullery	Poppe	Ward
Hornstein	Knuth	Loeffler	Murphy, E.	Rukavina	Winkler
Hortman	Koenen	Mahoney	Murphy, M.	Scalze	
Hosch	Kriesel	Mariani	Nelson	Simon	
Howes	Laine	Marquart	Norton	Slawik	
Huntley	Lenczewski	Melin	Paymar	Slocum	

Those who voted in the negative were:

Abeler	Crawford	Gottwalt	Lanning	Murray	Smith
Anderson, B.	Daudt	Gruenhagen	Leidiger	Myhra	Stensrud
Anderson, D.	Davids	Gunther	LeMieur	Nornes	Swedzinski
Anderson, P.	Dean	Hackbarth	Lohmer	O'Driscoll	Torkelson
Anderson, S.	Dettmer	Hamilton	Loon	Peppin	Urdahl
Banaian	Doepke	Hancock	Mack	Petersen, B.	Vogel
Barrett	Downey	Holberg	Mazorol	Quam	Wardlow
Beard	Drazkowski	Hoppe	McDonald	Runbeck	Westrom
Benson, M.	Erickson	Kelly	McElfrick	Sanders	Woodard
Bills	Fabian	Kieffer	McFarlane	Schomacker	Spk. Zellers
Buesgens	Franson	Kiel	McNamara	Scott	
Cornish	Garofalo	Kiffmeyer	Murdock	Shimanski	

The motion did not prevail.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 1:00 p.m., Wednesday, March 28, 2012. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and Speaker pro tempore Davids declared the House stands adjourned until 1:00 p.m., Wednesday, March 28, 2012.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives