

STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2012

 NINETY-SEVENTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 30, 2012

The House of Representatives convened at 10:00 a.m. and was called to order by Larry Hosch, Speaker pro tempore.

Prayer was offered by the Reverend Phil Shaw, Senate Chaplain.

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:

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

A quorum was present.

Lohmer, Marquart, Moran, Slocum and Tillberry were excused.

Abeler, Mariani and Mullery were excused until 10:25 a.m. Greene was excused until 10:50 a.m. Mack was excused until 11:00 a.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. 1524 and H. F. No. 1787, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Gunther moved that S. F. No. 1524 be substituted for H. F. No. 1787 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1621 and H. F. No. 2097, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Peppin moved that S. F. No. 1621 be substituted for H. F. No. 2097 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1754 and H. F. No. 2259, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dettmer moved that the rules be so far suspended that S. F. No. 1754 be substituted for H. F. No. 2259 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1793 and H. F. No. 1998, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sanders moved that S. F. No. 1793 be substituted for H. F. No. 1998 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1809 and H. F. No. 2237, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Gottwalt moved that the rules be so far suspended that S. F. No. 1809 be substituted for H. F. No. 2237 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1981 and H. F. No. 2409, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Shimanski moved that S. F. No. 1981 be substituted for H. F. No. 2409 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2000 and H. F. No. 2308, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kieffer moved that S. F. No. 2000 be substituted for H. F. No. 2308 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2181 and H. F. No. 2650, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Beard moved that the rules be so far suspended that S. F. No. 2181 be substituted for H. F. No. 2650 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2271 and H. F. No. 2494, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, B., moved that S. F. No. 2271 be substituted for H. F. No. 2494 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2316 and H. F. No. 2495, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, B., moved that S. F. No. 2316 be substituted for H. F. No. 2495 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2354 and H. F. No. 2493, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, B., moved that S. F. No. 2354 be substituted for H. F. No. 2493 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 1284, A bill for an act relating to transportation; modifying provisions governing transportation and public safety policies, including bicycles and bikeways, highways and bridges, motor vehicles, motor vehicle markings and equipment, traffic regulations, driver education, driver licensing, driver's license exemptions, DWI violations, alternative financing for transportation projects, contracting requirements, bus operations, railroads, motor carriers and commercial drivers, aeronautics and airports, and agency reporting; providing for rulemaking; removing obsolete language; making technical and clarifying changes; repealing certain provisions; appropriating money; amending Minnesota Statutes 2010, sections 85.015, by adding a subdivision; 85.018, subdivisions 2, 4; 160.263, subdivision 2; 160.845; 160.93, subdivisions 1, 2; 161.14, subdivision 66, by adding subdivisions; 161.321; 161.3212; 162.081, subdivision 4; 162.09, by adding a subdivision; 162.18, subdivisions 1, 4; 168.012, subdivision 1; 168.013, by adding a subdivision; 168B.011, subdivision 12; 169.011, subdivision 27; 169.035, subdivision 1, by adding a subdivision; 169.06, subdivisions 5, 7; 169.19, subdivision 5; 169.223, subdivision 5; 169.306; 169.64, subdivision 2; 169.685, subdivision 6; 169.86, subdivision 4; 169.99, subdivision 1b; 169A.54, subdivisions 1, 6; 171.03; 171.061, subdivision 4; 171.12, subdivision 6; 171.30, subdivision 1; 171.306, subdivision 4; 174.02, by adding a subdivision; 174.56; 221.0314, subdivision 3a; 222.50, subdivision 4; 222.51; 222.53; 222.63, subdivision 9; Minnesota Statutes 2011 Supplement, sections 168.12, subdivision 5; 169.86, subdivision 5; 171.05, subdivision 2; 171.075, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 160; 171; repealing Minnesota Statutes 2010, sections 161.08, subdivision 2; 168.012, subdivision 1b; 169A.54, subdivision 5; 222.48, subdivision 3a.

Reported the same back with the following amendments:

Page 6, delete line 25

Page 6, line 26, delete "(2)" and insert "(1)" and delete "off-ramp" and insert "entrance ramp"

Page 6, delete lines 27 to 28 and insert "State-Aid Highway 1; and"

Page 6, line 29, delete "(3)" and insert "(2)" and delete "off-ramp" and insert "entrance ramp"

Page 6, line 30, delete "; and" and insert a period

Page 6, delete lines 31 to 32

Page 10, delete section 14

Page 42, delete section 52

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2164, A bill for an act relating to natural resources; authorizing certain agency prepayments; providing for apprentice riders; modifying aquatic invasive species provisions; modifying local government trail authority; modifying enforcement provisions; modifying certain bait provisions; modifying prior appropriations; modifying and eliminating certain reporting, plan, and meeting requirements; eliminating loan program; modifying La Salle Lake State Recreation Area administration; prohibiting commissioner of natural resources from purchasing land at more than 20 percent above estimated market value; modifying waste management provisions; clarifying certain environmental review; eliminating certain fees; modifying toxic pollution prevention requirements; modifying certain standards for stationary sources; extending prohibition on new open air swine basins; modifying local water management; requiring water supply demand reduction measures; modifying acid deposition control requirements; modifying sewage sludge management; modifying Wetland Conservation Act; providing for continued operation of the Minnesota Zoological Garden, and state parks and recreation areas when biennial appropriations have not been enacted; requiring the availability of game and fish licenses by electronic transaction; creating citizen's board; authorizing and clarifying the use of general permits; modifying mineral lease provisions; modifying authority of Executive Council; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2010, sections 9.071; 16A.065; 84.027, subdivision 15; 84.0272, subdivision 1; 84.0895, subdivision 7; 84.631; 84.67; 84.91, subdivision 1; 84D.05, subdivision 1; 85.018, subdivision 2; 85.055, subdivision 2; 85.20, subdivision 1; 85.46, subdivision 1; 85A.04, subdivision 1; 86B.331, subdivision 1; 90.031, subdivision 4; 92.45; 92.50, subdivision 1; 93.17, subdivision 3; 93.1925, subdivision 1; 93.20, subdivisions 2, 30, 38; 93.2236; 93.25, subdivision 2, by adding a subdivision; 97A.401, subdivision 1; 97A.421, subdivision 4a; 103A.43; 103B.101, subdivisions 2, 7, 10, by adding subdivisions; 103B.311, subdivision 4; 103B.3363, by adding a subdivision; 103B.3369; 103B.355; 103G.2241, subdivision 9; 103G.2242, subdivision 3; 103G.245, subdivision 3; 103G.271, subdivision 1; 103G.291, subdivisions 3, 4; 103G.301, subdivisions 2, 4, 5, 5a; 103G.611, by adding a subdivision; 103H.175, subdivision 3; 115.01, by adding a subdivision; 115.06, subdivision 4; 115.073; 115.42; 115A.15, subdivision 5; 115A.411;

115A.551, subdivisions 2a, 4; 115A.557, subdivision 4; 115D.08; 116.011; 116.02, subdivisions 1, 2, 3, 4, 6; 116.03, subdivision 1; 116.06, subdivision 22; 116.07, by adding a subdivision; 116.0714; 116.10; 116C.833, subdivision 2; 116D.04, by adding a subdivision; 216C.055; 216H.07, subdivision 3; 473.149, subdivisions 1, 6; 473.846; Minnesota Statutes 2011 Supplement, sections 84.027, subdivision 14a; 84D.01, subdivision 15a; 84D.03, subdivision 3; 84D.09, subdivision 2; 84D.10, subdivisions 1, 4; 84D.105, subdivision 2; 84D.13, subdivision 5; 97C.341; 103G.222, subdivision 1; 103G.615, subdivisions 1, 2; 115A.1320, subdivision 1; 116.03, subdivision 2b; 116D.04, subdivision 2a; Laws 2007, chapter 57, article 1, section 4, subdivision 2, as amended; Laws 2010, chapter 362, section 2, subdivision 7; Laws 2011, First Special Session chapter 2, article 1, section 4, subdivision 7; Laws 2011, First Special Session chapter 6, article 3, section 8, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 84; 86B; 92; 103B; 103G; 115; 115A; 161; 574; repealing Minnesota Statutes 2010, sections 84.946, subdivision 3; 86A.12, subdivision 5; 89.06; 90.042; 97A.4742, subdivision 4; 103G.705; 115.447; 115A.07, subdivision 2; 115A.965, subdivision 7; 116.02, subdivisions 7, 8; 216H.07, subdivision 4; Minnesota Statutes 2011 Supplement, sections 86B.508; 86B.811, subdivision 1a; Laws 2011, chapter 107, section 105; Minnesota Rules, parts 7002.0025, subpart 2a; 7011.7030; 7021.0010, subpart 3; 7021.0050, subparts 1, 2, 3; 7041.0500, subparts 5, 6, 7.

Reported the same back with the following amendments:

Page 2, delete section 2

Page 25, delete section 36, and insert:

"Sec. 35. Minnesota Statutes 2010, section 93.2236, is amended to read:

93.2236 MINERALS MANAGEMENT ACCOUNT.

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

(b) If the balance in the minerals management account exceeds \$3,000,000 on June 30, the amount exceeding \$3,000,000 must be distributed to the permanent school fund ~~and~~ the permanent university fund, and taxing districts as provided in section 93.22, subdivision 1, paragraph (c). The amount distributed to each fund must be in the same proportion as the total mineral lease revenue received in the previous biennium from school trust lands ~~and~~ university lands, and lands held by the state in trust for taxing districts.

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

Page 72, delete section 111, and insert:

"Sec. 110. **ENVIRONMENTAL REVIEW REPORT.**

By November 15, 2012, the Environmental Quality Board shall evaluate and make recommendations to the governor and the chairs of the house of representatives and senate committees having jurisdiction over environment and natural resources on how to improve environmental review, given the changes made in Laws 2011, chapter 4, and the recommendations contained in the Office of the Legislative Auditor's "Environmental Review and Permitting Report" dated March 2011. The evaluation and recommendations shall include a list of categories of mandatory environmental assessment worksheets and mandatory environmental impact statements, and for each mandatory category a document including:

(1) intended historical purpose of the category;

(2) whether projects that fall within the category are also subject to local, state, and federal permits; and

(3) an analysis of whether the mandatory category should be modified, eliminated, or unchanged based on its relationship to existing permits or other federal, state, or local laws."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete everything after the first semicolon

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Abeler from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 2379, A bill for an act relating to human services; providing an exemption from a licensing moratorium; establishing certification requirements; amending Minnesota Statutes 2010, section 245A.03, by adding a subdivision; Minnesota Statutes 2011 Supplement, section 245A.03, subdivision 7.

Reported the same back with the following amendments:

Page 2, line 2, delete "245.4871, subdivision 27" and insert "245.462, subdivision 18"

Page 2, line 3, delete "245.4871, subdivision 26" and insert "245.462, subdivision 17"

Page 2, delete section 2

Amend the title as follows:

Page 1, line 2, delete everything after the first semicolon

Page 1, line 3, before the semicolon, insert "for adult foster care homes"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Abeler from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 2412, A bill for an act relating to health; requiring certain changes in managed care plan financial reporting; requiring an annual independent third-party audit; amending Minnesota Statutes 2011 Supplement, section 256B.69, subdivision 9c.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2010, section 72A.201, subdivision 8, is amended to read:

Subd. 8. **Standards for claim denial.** The following acts by an insurer, adjuster, or self-insured, or self-insurance administrator constitute unfair settlement practices:

(1) denying a claim or any element of a claim on the grounds of a specific policy provision, condition, or exclusion, without informing the insured of the policy provision, condition, or exclusion on which the denial is based;

(2) denying a claim without having made a reasonable investigation of the claim;

(3) denying a liability claim because the insured has requested that the claim be denied;

(4) denying a liability claim because the insured has failed or refused to report the claim, unless an independent evaluation of available information indicates there is no liability;

(5) denying a claim without including the following information:

(i) the basis for the denial;

(ii) the name, address, and telephone number of the insurer's claim service office or the claim representative of the insurer to whom the insured or claimant may take any questions or complaints about the denial;

(iii) the claim number and the policy number of the insured; and

(iv) if the denied claim is a fire claim, the insured's right to file with the Department of Commerce a complaint regarding the denial, and the address and telephone number of the Department of Commerce;

(6) denying a claim because the insured or claimant failed to exhibit the damaged property unless:

(i) the insurer, within a reasonable time period, made a written demand upon the insured or claimant to exhibit the property; and

(ii) the demand was reasonable under the circumstances in which it was made;

(7) denying a claim by an insured or claimant based on the evaluation of a chemical dependency claim reviewer selected by the insurer unless the reviewer meets the qualifications specified under subdivision 8a. An insurer that selects chemical dependency reviewers to conduct claim evaluations must annually file with the commissioner of commerce a report containing the specific evaluation standards and criteria used in these evaluations. The report must be filed at the same time its annual statement is submitted under section 60A.13. ~~The report must also include~~

~~the number of evaluations performed on behalf of the insurer during the reporting period, the types of evaluations performed, the results, the number of appeals of denials based on these evaluations, the results of these appeals, and the number of complaints filed in a court of competent jurisdiction.~~

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

Page 1, line 6, delete "Section 1." and insert "Sec. 2."

Page 2, lines 29 and 30, delete "state" and insert "legislative"

Page 2, line 34, delete everything after "means" and insert "an audit firm that is independent in accordance with government auditing standards issued by the United State Government Accountability Office and licensed in accordance with chapter 326A. In no case shall the audit firm conducting the audit provide services to a managed care or county-based purchasing plan at the same time as the audit is being conducted or have provided services to a managed care or county-based purchasing plan during the prior three years."

Page 2, delete lines 35 to 36

Page 3, delete lines 1 to 6 and insert:

"(e) The audit of the information required under paragraph (b) shall be conducted by an independent third-party firm in accordance with generally accepted government auditing standards issued by the United States Government Accountability Office."

Page 3, delete lines 7 to 12 and insert:

"(f) A managed care or county-based purchasing plan that provides services under this section shall provide to the commissioner biweekly encounter and claims data at a detailed level, and shall participate in a quality assurance program that verifies the timeliness, completeness, accuracy, and consistency of data provided. The commissioner shall have written protocols for the quality assurance program that are publicly available. The commissioner shall contract with an independent third-party auditing firm to evaluate the quality assurance protocols, the capacity of those protocols to assure complete and accurate data, and the commissioner's implementation of the protocols."

Page 3, line 27, delete "state" and insert "legislative"

Page 3, line 30, delete "state" and insert "legislative" in both places

Page 3, line 31, delete "legislative" and insert "state"

Page 3, line 32, after "chairs" insert "and ranking minority members"

Page 3, after line 32, insert:

"(m) The commissioner shall annually assess managed care and county-based purchasing plans for agency costs related to implementing paragraphs (d) to (l), which have been approved as reasonable by the commissioner of management and budget. The assessment for each plan shall be in proportion to that plan's share of total medical assistance and MinnesotaCare enrollment under this section and sections 256B.692 and 256L.12."

Page 3, after line 35, insert:

"Sec. 3. Minnesota Statutes 2010, section 256B.69, is amended by adding a subdivision to read:

Subd. 9d. **Savings from report elimination.** Managed care and county-based purchasing plans shall use all savings resulting from the elimination or modification of reporting requirements under sections 1, 4, and 5 to pay the assessment required by subdivision 9c, paragraph (m).

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

Sec. 4. **REPORTING REQUIREMENTS.**

Subdivision 1. **Evidence-based childbirth program.** The commissioner of human services may discontinue the evidence-based childbirth program and shall discontinue all affiliated reporting requirements established under Minnesota Statutes, section 256B.0625, subdivision 3g, once the commissioner determines that hospitals representing at least 90 percent of births covered by medical assistance or MinnesotaCare have approved policies and processes in place that prohibit elective inductions prior to 39 weeks' gestation.

Subd. 2. **Provider networks.** The commissioners of health, commerce, and human services shall merge reporting requirements for health maintenance organizations and county-based purchasing plans related to Minnesota Department of Health oversight of network adequacy under Minnesota Statutes, section 62D.124, and the provider network list reported to the Department of Human Services under Minnesota Rules, part 4685.2100. The commissioners shall work with health maintenance organizations and county-based purchasing plans to ensure that the report merger is done in a manner that simplifies health maintenance organization and county-based purchasing plan reporting processes.

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

Sec. 5. **REPEALER.**

Subdivision 1. **Summary of complaints and grievances.** Minnesota Rules, part 4685.2000, is repealed effective the day following final enactment.

Subd. 2. **Medical necessity denials and appeals.** Minnesota Statutes 2010, section 62M.09, subdivision 9, is repealed effective the day following final enactment.

Subd. 3. **Salary reports.** Minnesota Statutes 2010, section 62Q.64, is repealed effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "eliminating and modifying reporting requirements;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2909, A bill for an act relating to veterans; expanding the purposes for the Minnesota GI Bill program to include apprenticeships and on-the-job training; amending Minnesota Statutes 2010, section 197.791, subdivision 6, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 17, insert:

"Sec. 3. **APPROPRIATION; HONOR GUARDS.**

\$100,000 is appropriated from the general fund for the fiscal year ending June 30, 2013, to the commissioner of veterans affairs for compensation for honor guards at the funerals of veterans under Minnesota Statutes, section 197.231. This is a onetime appropriation."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing compensation for honor guards at veteran funerals; appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2958, A bill for an act relating to finance; requiring the Legislative Advisory Commission to consider certain requests to spend federal money; limiting the authority to spend federal money without legislative review to certain emergency management purposes; amending Minnesota Statutes 2010, sections 3.3005, subdivisions 2a, 5, 6; 12.22, subdivision 1; 116.03, subdivision 3; repealing Minnesota Statutes 2010, section 3.3005, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 3.30, subdivision 2, is amended to read:

Subd. 2. **Members; duties.** The majority leader of the senate or a designee, the minority leader of the senate or a designee, the chair of the senate Committee on Finance, and the chair of the appropriate finance committee, or division of the senate ~~Division of Finance~~ responsible for overseeing the items being considered by the commission, the speaker of the house or a designee, the minority leader of the house of representatives or a designee, the chair of the house of representatives Committee on Ways and Means, and the chair of the appropriate finance committee, or division of the house of representatives committee responsible for overseeing the items being considered by the ~~commissioner, commission,~~ constitute the Legislative Advisory Commission. The division chair of the Finance Committee in the senate and the division chair of the appropriate finance committee or division in the house of representatives shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house of representatives membership of the

commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house of representatives Rules Committee, and by the last senate Committee on Committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of management and budget shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of management and budget shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item.

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

Sec. 2. Minnesota Statutes 2010, section 3.3005, is amended by adding a subdivision to read:

Subd. 1a. **Application.** The review in this section applies to federal funds appropriated under section 4.07, subdivision 3, or federal funds appropriated under any other section except for federal funds appropriated under section 12.22, subdivision 1.

Sec. 3. Minnesota Statutes 2010, section 3.3005, subdivision 2a, is amended to read:

Subd. 2a. **Review of federal funds spending request.** ~~Twenty~~ Thirty days after a governor's budget request that includes a request to spend federal money is submitted to the legislature under subdivision 2, a state agency may expend money included in that request unless, within the ~~20-day~~ 30-day period, ~~a member of the Legislative Advisory Commission requests further review.~~ If a ~~the~~ Legislative Advisory Commission ~~member~~ requests further review of a federal funds spending request, the agency may not expend the federal funds until:

(1) the ~~commission's~~ request has been satisfied and withdrawn;

(2) the expenditure is approved in law; or

(3) the regular session of the legislature is adjourned for the year.

Sec. 4. Minnesota Statutes 2010, section 3.3005, subdivision 4, is amended to read:

Subd. 4. **Interim procedures; urgencies.** If federal money becomes available to the state for expenditure after the deadline in subdivision 2 or while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or part of the money be allotted before the legislature reconvenes or prior to the end of the 20-day period specified in subdivision 2, it may be allotted to a state agency ~~after the requirements of subdivision 5 are met.~~ after a request to spend the federal money has been submitted to the Legislative Advisory Commission and the commission has met and made a positive recommendation on the request. If the commission makes a positive recommendation, the commissioner of management and budget shall approve or disapprove the request and the federal money may be allocated for expenditure. If the commission makes a negative recommendation or no recommendation, the request, in substantially the same format, may not be submitted again. If the commission makes no recommendation within 30 days of the request being made, the lack of a recommendation shall be considered a negative recommendation.

Sec. 5. Minnesota Statutes 2010, section 3.3005, subdivision 5, is amended to read:

Subd. 5. **Legislative Advisory Commission review.** Federal money that becomes available under subdivision 3, 3a, ~~or 3b, or 4~~ may be allotted after the commissioner of management and budget has submitted the request to ~~the members of the Legislative Advisory Commission for their review and recommendation for further review.~~ ~~If a recommendation is not made within ten days, no further review by the Legislative Advisory Commission is required, and the commissioner shall approve or disapprove the request.~~ ~~If a recommendation by any member is for further review the governor shall submit the request to the Legislative Advisory Commission for its review and recommendation.~~ ~~Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~ If the commission makes a negative recommendation or a recommendation for further review on a request within 30 days after the date the request was submitted, the commissioner shall not approve expenditure of that federal money. If a request to expend federal money submitted under this subdivision receives a negative recommendation or a recommendation for further review, the request may be submitted again under subdivision 2. If the members of the commission make a positive recommendation or no recommendation, the commissioner shall approve or disapprove the request and the federal money may be allotted for expenditure.

Sec. 6. Minnesota Statutes 2010, section 3.3005, subdivision 6, is amended to read:

Subd. 6. **Interim procedures; nonurgencies.** If federal money becomes available to the state for expenditure after the deadline in subdivision 2 or while the legislature is not in session, ~~and subdivision 4 does not apply,~~ a request to expend the federal money may be submitted by the commissioner of management and budget to ~~members of the Legislative Advisory Commission for their review and recommendation.~~ ~~This~~ The commissioner may submit a request must be submitted by October 1 to the Legislative Advisory Commission under this subdivision on August 1 and October 15 of any year. If any member of the commission makes a negative recommendation or a recommendation for further review on a request by October 20 of the same year within 30 days after the date the request was submitted, the commissioner shall not approve expenditure of that federal money. If a request to expend federal money submitted under this subdivision receives a negative recommendation or a recommendation for further review, the request may be submitted again under subdivision 2. If the members of the commission make a positive recommendation or no recommendation, the commissioner shall approve or disapprove the request and the federal money may be allotted for expenditure.

Sec. 7. Minnesota Statutes 2010, section 12.22, subdivision 1, is amended to read:

Subdivision 1. **Federal aid.** Whenever the federal government, or an agency or officer of the federal government, offers to the state, or through the state to any political subdivision of the state, services, equipment, supplies, materials, or funds by way of gift, grant or loan, for the purposes of emergency management, the state, acting through the governor, or the political subdivision, acting with the consent of the governor and through its governing body, may accept the offer and then may authorize an officer of the state or of the political subdivision, as the case may be, to receive the services, equipment, supplies, materials, or funds on behalf of the state or the political subdivision and subject to the terms of the offer and the rules, if any, of the agency making the offer. However, Money received by the governor or any state agency under this subdivision is appropriated to the state agency receiving the funds to carry out the emergency management purposes for which the money is received. Section 3.3005 does not apply to money appropriated under this section. No money or other funds may be accepted or received as a loan nor any indebtedness incurred except as provided by law.

Sec. 8. Minnesota Statutes 2011 Supplement, section 16A.96, is amended by adding a subdivision to read:

Subd. 10. **Validation.** (a) Appropriation bonds issued under this section may be validated in the manner provided by this subdivision. If comparable appropriation bonds are judicially determined to be valid, nothing in this subdivision shall be construed to prevent the sale or delivery of any appropriation bonds without entry of a judgment of validation by the Minnesota Supreme Court pursuant to this subdivision with respect to the appropriation bonds authorized under this section.

(b) Any appropriation bonds issued under this section that are validated shall be validated in the manner provided by this subdivision.

(c) The Minnesota Supreme Court shall have original jurisdiction to determine the validation of appropriation bonds and all matters connected with issuance of the bonds.

(d) The commissioner may determine the commissioner's authority to issue appropriation bonds and the legality of all proceedings in connection with issuing bonds. For this purpose, a complaint shall be filed by the commissioner in the Minnesota Supreme Court against the state and the taxpayers and citizens.

(e) As a condition precedent to filing of a complaint for the validation of appropriation bonds, the commissioner shall take action providing for the issuance of appropriation bonds in accordance with law.

(f) The complaint shall set out the state's authority to issue appropriation bonds, the action or proceeding authorizing the issue and its adoption, all other essential proceedings had or taken in connection with issuing bonds, the amount of the appropriation bonds to be issued and the maximum interest they are to bear, and all other pertinent matters.

(g) The Minnesota Supreme Court shall issue an order directed against the state and taxpayers, citizens, and others having or claiming any right, title, or interest affected by the issuance of appropriation bonds, or to be affected by the bonds, allowing all persons, in general terms and without naming them, and the state through its attorney general, to appear before the Minnesota Supreme Court at a designated time and place and show why the complaint should not be granted and the proceedings and appropriation bonds validated. A copy of the complaint and order shall be served on the attorney general at least 20 days before the time fixed for hearing. The attorney general shall examine the complaint, and, if it appears or there is reason to believe that it is defective, insufficient, or untrue, or if in the opinion of the attorney general the issuance of the appropriation bonds in question has not been duly authorized, defense shall be made by the attorney general as the attorney general deems appropriate.

(h) Before the date set for hearing, as directed by the Minnesota Supreme Court, either the clerk of the Minnesota appellate courts or the commissioner shall publish a copy of the order in a legal newspaper of general circulation in Ramsey County and the state, at least once each week for two consecutive weeks, commencing with the first publication, which shall not be less than 20 days before the date set for hearing. By this publication, all taxpayers, citizens, and others having or claiming any right, title, or interest in the state are made parties defendant to the action and the Minnesota Supreme Court has jurisdiction of them to the same extent as if named as defendants in the complaint and personally served with process.

(i) Any taxpayer, citizen, or person interested may become a party to the action by moving against or pleading to the complaint at or before the time set for hearing. The Minnesota Supreme Court shall determine all questions of law and fact and make orders that will enable it to properly try and determine the action and render a final judgment within 30 days of the hearing with the least possible delay.

(j) If the judgment validates appropriation bonds, the judgment is forever conclusive as to all matters adjudicated and as against all parties affected and all others having or claiming any right, title, or interest affected by the issuance of appropriation bonds, or to be affected in any way by issuing the bonds, and the validity of appropriation bonds or of any revenues pledged for the payment of the bonds, or of the proceedings authorizing the issuance of the bonds, including any remedies provided for their collection, shall never be called in question in any court by any person or party.

(k)(1) Appropriation bonds, when validated under this section, shall have stamped or written on the bonds, by the proper officers of the state issuing them, a statement in substantially the following form: "This appropriation bond is one of a series of appropriation bonds which were validated by judgment of the Supreme Court of the State of Minnesota, rendered on (year)."

(2) A certified copy of the judgment or decree shall be received as evidence in any court in this state.

(l) The costs shall be paid by the state, except that when a taxpayer, citizen, or other person contests the action or intervenes, the court may tax the whole or any part of the costs against the person that is equitable.

(m) A justice of the Minnesota Supreme Court is not disqualified in any validation action because the justice is a landowner or taxpayer of the state.

Sec. 9. Minnesota Statutes 2010, section 116.03, subdivision 3, is amended to read:

Subd. 3. **Federal funds.** The commissioner of the Pollution Control Agency is the state agent to apply for, receive, and disburse federal funds made available to the state by federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the Pollution Control Agency or the commissioner. The commissioner shall comply with any and all requirements of such federal law or such rules and regulations promulgated thereunder to facilitate application for, receipt, and disbursement of such funds. All such moneys received by the commissioner shall be deposited in the state treasury and are hereby annually appropriated to the commissioner for the purposes for which they are received. None of such moneys in the state treasury shall cancel and they shall be available for expenditure in accordance with the requirements of federal law.

~~The provisions of section 3.3005 shall not apply to money available under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, United States Code, title 42, sections 9601 to 9657, for which a state match is not required or for which a state match is available under the Environmental Response and Liability Act or from a political subdivision. The receipt of the money shall be reported to the Legislative Advisory Commission.~~

Sec. 10. Minnesota Statutes 2011 Supplement, section 168.123, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) On payment of a fee of \$10 for each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the registration tax required by law, and compliance with other applicable laws relating to vehicle registration and licensing, as applicable, the commissioner shall issue:

(1) special veteran's plates to an applicant who served in the active military service in a branch of the armed forces of the United States or of a nation or society allied with the United States in conducting a foreign war, was discharged under honorable conditions, and is a registered owner of a passenger automobile as defined in section 168.002, subdivision 24, recreational motor vehicle as defined in section 168.002, subdivision 27, or one-ton pickup truck as defined in section 168.002, subdivision 21b, but which is not a commercial motor vehicle as defined in section 169.011, subdivision 16; or

(2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (f), (h), (i), or (j), or another special plate designed by the commissioner to an applicant who is a registered owner of a motorcycle as defined in section 168.002, subdivision 19, and meets the criteria listed in this paragraph and in subdivision 2, paragraph (a), (f), (h), (i), or (j). Plates issued under this clause must be the same size as regular motorcycle plates. Special motorcycle license plates issued under this clause are not subject to section 168.1293.

(b) The additional fee of \$10 is payable for each set of veteran's plates, is payable only when the plates are issued, and is not payable in a year in which stickers are issued instead of plates.

(c) The veteran must have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application. If an applicant served in the active military service in a branch of the armed forces of a nation or society allied with the United States in conducting a foreign war and is unable to obtain a record of that service and discharge status, the commissioner of veterans affairs may certify the applicant as qualified for the veterans' plates provided under this section.

~~(d) For license plates issued for one-ton trucks described in paragraph (a), clause (1), the commissioner shall collect a surcharge of \$5 on each \$10 fee collected under paragraph (a). The surcharge must be deposited in the vehicle services operating account in the special revenue fund.~~

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

Sec. 11. Minnesota Statutes 2010, section 197.791, is amended by adding a subdivision to read:

Subd. 5a. Apprenticeship and on-the-job training. (a) The commissioner, in consultation with the commissioners of employment and economic development and labor and industry, shall develop and implement an apprenticeship and on-the-job training program to administer a portion of the Minnesota GI Bill program to pay benefit amounts to eligible applicants, as provided in this subdivision.

(b) An "eligible employer" means an employer operating a qualifying apprenticeship or on-the-job training program that has been approved by the commissioner.

(c) A person is eligible for apprenticeship and on-the-job training assistance under this subdivision if the person meets the criteria established under subdivision 4, paragraphs (a), clause (1), and (c) to (e). The amount of assistance paid to or on behalf of an eligible individual under this subdivision must not exceed the following:

(1) \$2,000 per fiscal year for apprenticeship expenses;

(2) \$2,000 per fiscal year for on-the-job training;

(3) \$1,000 for a job placement credit payable to an eligible employer upon hiring a person receiving assistance under this subdivision; and

(4) \$1,000 for a job placement credit payable to an eligible employer after a person receiving assistance under this subdivision has been employed by the eligible employer for at least 12 consecutive months as a full-time employee.

No more than \$3,000 in aggregate benefits under this paragraph may be paid to or on behalf of an individual in one fiscal year, and not more than \$9,000 in aggregate benefits under this paragraph may be paid to or on behalf of an individual over any period of time.

(d) Assistance for apprenticeship expenses and on-the-job training is available for qualifying programs, which must, at a minimum, meet the following criteria:

(1) the training must be with an eligible employer;

(2) the training must be documented and reported;

(3) the training must reasonably be expected to lead to an entry-level position; and

(4) the position must require at least six months of training to become fully trained.

Sec. 12. Minnesota Statutes 2010, section 197.791, subdivision 6, is amended to read:

Subd. 6. Appropriation. The amount necessary to pay the benefit amounts in ~~subdivision 5~~ subdivisions 5 and 5a is appropriated from the general fund to the commissioner. During any fiscal year beginning on or after July 1, ~~2013~~ 2012, the amount paid under this subdivision must not exceed \$6,000,000.

Sec. 13. **APPROPRIATION; HONOR GUARDS.**

\$100,000 is appropriated from the general fund for the fiscal year ending June 30, 2013, to the commissioner of veterans affairs for compensation for honor guards at the funerals of veterans under Minnesota Statutes, section 197.231. This is a onetime appropriation.

Sec. 14. **APPROPRIATION; SOFT BODY ARMOR.**

\$515,000 is appropriated from the general fund to the commissioner of public safety in fiscal year 2012 for soft body armor reimbursements under Minnesota Statutes, section 299A.38. This is a onetime appropriation. Any unexpended funds may be carried over into fiscal year 2013.

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

Sec. 15. **APPROPRIATION; DISASTER DEFICIENCY.**

(a) \$235,000 of the appropriation for disaster relief in Laws 2010, Second Special Session chapter 1, article 1, section 11, is canceled and returned to the general fund.

(b) \$235,000 is appropriated from the general fund to the commissioner of public safety in fiscal year 2012. This appropriation is to provide a match for Federal Emergency Management Agency (FEMA) disaster assistance to state agencies and political subdivisions under Minnesota Statutes, section 12.221, in the area designated under Presidential Declaration of Major Disaster, FEMA-DR-1900-MN, whether included in the original declaration or added later by federal government action. This is a onetime appropriation. This appropriation is available until expended.

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

Delete the title and insert:

"A bill for an act relating to finance; modifying the membership of the Legislative Advisory Commission; authorizing the Legislative Advisory Commission to review requests to spend federal money; limiting the authority to spend federal money without legislative review to certain emergency management purposes; providing for the validation of certain appropriation bonds; establishing an apprenticeship and on-the-job training program to administer a portion of the Minnesota GI Bill program; eliminating a surcharge on special veteran's plates for certain trucks; appropriating money for honor guards, soft body armor, and disaster deficiency; amending Minnesota Statutes 2010, sections 3.30, subdivision 2; 3.3005, subdivisions 2a, 4, 5, 6, by adding a subdivision; 12.22, subdivision 1; 116.03, subdivision 3; 197.791, subdivision 6, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 16A.96, by adding a subdivision; 168.123, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 288, A bill for an act relating to health; regulating dental laboratories; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 150A.

Reported the same back with the following amendments to the unofficial engrossment:

Page 3, line 36, delete "2012" and insert "2011"

Page 4, line 2, delete "2012" and insert "2011"

Page 5, lines 13 and 15, delete "2012" and insert "2011"

Page 6, lines 7 and 9, delete "2012" and insert "2011"

Page 7, line 21, delete "2012" and insert "2011"

Page 12, delete sections 11 and 12 and insert:

"Sec. 11. Minnesota Statutes 2010, section 148E.065, subdivision 4, is amended to read:

Subd. 4. **City, county, and state agency social workers.** The licensure of city, county, and state agency social workers is voluntary. City, county, and state agencies employing social workers are not required to employ licensed social workers.

This subdivision expires July 1, 2016.

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

Sec. 12. Minnesota Statutes 2010, section 148E.065, is amended by adding a subdivision to read:

Subd. 4a. **City, county, and state social workers.** (a) Beginning July 1, 2016, the licensure of city, county, and state agency social workers is voluntary, except an individual who is newly employed by a city or state agency after July 1, 2016, must be licensed if the individual who provides social work services, as those services are defined in section 148E.010, subdivision 11, paragraph (b), is presented to the public by any title incorporating the words "social work" or "social worker."

(b) City, county, and state agencies employing social workers are not required to employ licensed social workers.

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

Sec. 13. Minnesota Statutes 2010, section 148E.065, subdivision 5, is amended to read:

Subd. 5. **Tribes and private nonprofit agencies; voluntary licensure.** The licensure of social workers who are employed by federally recognized tribes, or by private nonprofit agencies whose primary service focus addresses ethnic minority populations, and who are themselves members of ethnic minority populations within those agencies, is voluntary.

This subdivision expires July 1, 2016.

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

Sec. 14. Minnesota Statutes 2010, section 148E.065, is amended by adding a subdivision to read:

Subd. 5a. **Tribes and private nonprofit agencies; voluntary licensure.** (a) The licensure of social workers who are employed by federally recognized tribes is voluntary.

(b) The licensure of private, nonprofit, nontribal agency social workers whose primary service focus addresses ethnic minority populations, and who are themselves members of ethnic minority populations within those agencies, is voluntary until July 1, 2016, when newly employed individuals who practice social work must be licensed as required under section 148E.055, subdivision 1.

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

Page 15, line 33, delete the new language and reinstate the stricken language

Page 15, line 34, reinstate the stricken language

Page 15, line 35, delete the new language and reinstate the stricken language

Page 16, after line 16, insert:

"(e) This subdivision expires July 1, 2016."

Page 16, line 17, delete "July 1, 2016" and insert "August 1, 2012"

Page 16, delete section 15 and insert:

"Sec. 17. Minnesota Statutes 2010, section 148E.195, is amended by adding a subdivision to read:

Subd. 2a. **Representations.** Effective July 1, 2016:

(a) No applicant or other individual may be represented to the public by any title incorporating the words "social work" or "social worker" unless the individual is employed by a county or holds a license according to this chapter.

(b) In all professional use of a social worker's name, the social worker must use the license designation "LSW" or "licensed social worker" for a licensed social worker, "LGSW" or "licensed graduate social worker" for a licensed graduate social worker, "LISW" or "licensed independent social worker" for a licensed independent social worker, or "LICSW" or "licensed independent clinical social worker" for a licensed independent clinical social worker.

(c) Public statements or advertisements must not be untruthful, misleading, false, fraudulent, deceptive, or potentially exploitative of clients, former clients, interns, students, supervisees, or the public.

(d) A social worker must not:

(1) use licensure status as a claim, promise, or guarantee of successful service;

(2) obtain a license by cheating or employing fraud or deception;

(3) make false statements or misrepresentations to the board or in materials submitted to the board; or

(4) engage in conduct that has the potential to deceive or defraud a social work client, intern, student, supervisee, or the public.

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

Sec. 18. Minnesota Statutes 2010, section 148E.280, is amended to read:

148E.280 USE OF TITLES.

(a) No individual may be presented to the public by any title incorporating the words "social work" or "social worker" or in the titles in section 148E.195, unless that individual holds a license under sections 148E.055 and 148E.060, or practices in a setting exempt from licensure under section 148E.065.

This paragraph expires July 1, 2016.

(b) Effective July 1, 2016, no individual may be presented to the public by any title incorporating the words "social work" or "social worker" or in the titles in section 148E.195, unless that individual is employed by a county or holds a license under this chapter.

EFFECTIVE DATE. This section is effective August 1, 2012."

Page 16, line 30, delete "as established by the Board of Dentistry"

Page 17, line 2, delete "registered or certified" and delete "another" and insert "a"

Page 17, line 4, delete everything after the first "a" and insert "licensed dentist."

Page 17, line 6, delete everything before "directing" and insert "licensed dentist"

Page 17, after line 7, insert:

"Subd. 6. **Vendor.** "Vendor" means a third party under contract with the Board of Dentistry to perform the registration and certification requirements of sections 150A.24 to 150A.33."

Page 17, line 11, delete everything before "must"

Page 17, line 14, after the period, insert "A dental laboratory that is located outside of the state that does work for a Minnesota dental laboratory must be registered with the vendor."

Page 17, line 16, delete "board on a form provided by the board" and insert "vendor in the form required by the vendor"

Page 17, lines 22 and 24, delete "board" and insert "vendor"

Page 17, delete lines 26 and 27 and insert:

"Subd. 4. **Registration term.** Registration shall be valid for five years."

Page 17, line 31, delete "by" and insert "with"

Page 18, line 2, delete everything after the first "the" and insert "vendor in the form required by the vendor and accompanied"

Page 18, line 8, after the semicolon, insert "and"

Page 18, line 13, delete "; and" and insert a period

Page 18, delete line 14

Page 18, lines 15 and 20, delete "board" and insert "NBC"

Page 18, line 17, delete "two years" and insert "one year"

Page 18, line 21, delete everything before the comma and insert "in the manner prescribed by the vendor"

Page 18, delete lines 24 to 29

Page 18, line 32, after "perform" insert "or authorize"

Page 18, line 33, delete "for a licensed dentist under this chapter" and delete "the" and insert "a"

Page 20, after line 16, insert:

"(d) The vendor shall maintain a list on its Web site of upcoming coursework including the date, time, and location of the course and a description of its content.

"(e) The vendor shall maintain a list of the current continuing education status for each dental technician, and shall update the list at least quarterly."

Page 20, line 19, delete "\$20" and insert "\$50"

Page 20, line 20, delete everything after "and" and insert "annual renewal is \$150."

Page 20, line 21, delete everything after "nonrefundable" and insert a period

Page 20, delete line 22

Page 20, after line 23, insert:

"Sec. 27. **[150A.33] RESPONSIBILITIES.**

Subdivision 1. **Vendor.** (a) The vendor shall maintain a Web site with links to pages that contain the requirements for registration and certification of dental laboratories in Minnesota.

(b) The vendor shall maintain an up-to-date Web site with a list of all registered and certified dental laboratories in Minnesota that includes the name, location, and registration or certification number of the laboratory.

(c) The vendor shall provide electronic access to the Board of Dentistry of all registration information required under section 150A.25.

Subd. 2. **Board of Dentistry.** (a) The board shall provide a link on its Web site to the Web page on the NBC Web site that contains the list of registered and certified dental laboratories in Minnesota.

(b) The board has authority to enforce the provisions of this act that are related to the practice of dentistry."

Page 20, delete section 24

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, lines 3 to 4, delete "appropriating money;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Dean from the Committee on Rules and Legislative Administration to which was referred:

House Concurrent Resolution No. 6, A House concurrent resolution relating to adjournment for more than three days.

Reported the same back with the recommendation that the House concurrent resolution be adopted.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1284, 2164, 2379, 2412, 2909 and 2958 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1524, 1621, 1754, 1793, 1809, 1981, 2000, 2181, 2271, 2316, 2354 and 288 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Simon introduced:

H. F. No. 2983, A bill for an act relating to elections; requiring the use of photographs in the polling place roster; appropriating money; amending Minnesota Statutes 2010, sections 171.07, subdivision 1a; 201.022, subdivision 1, by adding a subdivision; 201.091, subdivision 9; 201.121, subdivision 1; 201.161; 201.221, subdivision 3; 204C.10.

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

Simon, Ward, Dill, Nelson, Scalze, Lillie and Clark introduced:

H. F. No. 2984, A bill for an act relating to elections; modifying a criminal penalty for deceiving another person with the intent to prevent the person from voting in an election; amending Minnesota Statutes 2010, section 204C.035, subdivision 1.

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

Dettmer introduced:

H. F. No. 2985, A bill for an act relating to taxation; estate; conforming to federal exemption amount; amending Minnesota Statutes 2011 Supplement, sections 291.005, subdivision 1; 291.03, subdivision 1; repealing Minnesota Statutes 2011 Supplement, section 291.03, subdivisions 8, 9, 10, 11.

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

Crawford introduced:

H. F. No. 2986, A bill for an act relating to elections; providing immunity from civil liability for challengers in a polling place; amending Minnesota Statutes 2010, section 204C.07, by adding a subdivision.

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

Dettmer introduced:

H. F. No. 2987, A bill for an act relating to environment; requiring review prior to construction of a new school building on a landfill site; proposing coding for new law in Minnesota Statutes, chapter 115B.

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

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, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 1923, A bill for an act relating to waters; requiring water supply demand reduction measures; amending Minnesota Statutes 2010, section 103G.291, subdivisions 3, 4.

CAL R. LUDEMAN, Secretary of the Senate

O'Driscoll moved that the House refuse to concur in the Senate amendments to H. F. No. 1923, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

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. 1384, A bill for an act relating to fraudulent transfers; excluding certain transfers to charitable or religious organizations from the fraudulent transfers act; amending Minnesota Statutes 2010, section 513.41.

CAL R. LUDEMAN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Davids moved that the House concur in the Senate amendments to H. F. No. 1384 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1384, A bill for an act relating to fraudulent transfers; excluding certain transfers to charitable or religious organizations from the fraudulent transfers act; amending Minnesota Statutes 2010, section 513.41.

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

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

Pursuant to rule 2.05, Wardlow was excused from voting on the repassage of H. F. No. 1384, as amended by the Senate.

There were 108 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Allen	Clark	Fabian	Hosch	LeMieur	Myhra
Anderson, B.	Cornish	Franson	Howes	Lenczewski	Nelson
Anderson, D.	Crawford	Fritz	Johnson	Lillie	Nornes
Anderson, P.	Daudt	Garofalo	Kahn	Loeffler	Norton
Anderson, S.	Dauids	Gottwalt	Kath	Loon	O'Driscoll
Atkins	Davnie	Gruenhagen	Kelly	Mazorol	Paymar
Banaian	Dean	Gunther	Kieffer	McDonald	Pelowski
Barrett	Dettmer	Hackbarth	Kiel	McElpatrick	Peppin
Beard	Dill	Hamilton	Kiffmeyer	McFarlane	Petersen, B.
Benson, J.	Dittrich	Hancock	Knuth	McNamara	Peterson, S.
Benson, M.	Doepke	Hansen	Koenen	Melin	Poppe
Bills	Downey	Hausman	Kriesel	Murdock	Quam
Brynaert	Drazkowski	Holberg	Laine	Murphy, E.	Runbeck
Carlson	Eken	Hoppe	Lanning	Murphy, M.	Sanders
Champion	Erickson	Hornstein	Leidiger	Murray	Scalze

Schomacker	Simon	Stensrud	Torkelson	Wagenius	Winkler
Scott	Slawik	Swedzinski	Urdahl	Ward	Woodard
Shimanski	Smith	Thissen	Vogel	Westrom	Spk. Zellers

Those who voted in the negative were:

Anzelc	Gauthier	Hortman	Liebling	Rukavina
Buesgens	Greiling	Huntley	Mahoney	
Falk	Hilty	Lesch	Morrow	

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

Mr. Speaker:

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

S. F. No. 1689.

CAL R. LUDEMAN, Secretary of the Senate

The Speaker assumed the Chair.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Holberg announced her intention to place H. F. No. 2949 on the Fiscal Calendar for Friday, March 30, 2012.

FIRST READING OF SENATE BILLS

S. F. No. 1689, A bill for an act relating to veterans affairs; providing a waiver of immunity for veterans to sue the state of Minnesota as an employer in federal or other courts for violation of the Uniformed Services Employment and Reemployment Rights Act; giving special emphasis to recruitment of veterans for state employment; allowing a leave of absence from public employment during convalescence for injury or disease incurred during active service; extending reemployment rights protections to certain nonpublic employees; increasing credits for veterans in open examination ratings for public employment; amending Minnesota Statutes 2010, sections 1.05, by adding a subdivision; 43A.09; 192.261, subdivisions 1, 6; 197.455, subdivisions 4, 5.

The bill was read for the first time.

Gruenhagen moved that S. F. No. 1689 and H. F. No. 1416, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

FISCAL CALENDAR

Pursuant to rule 1.22, Holberg requested immediate consideration of S. F. No. 1528.

Thissen was excused between the hours of 10:35 a.m. and 11:25 a.m.

S. F. No. 1528, A bill for an act relating to education; providing 21st century tools for teachers; encouraging students to take one online course; requiring a report; amending Minnesota Statutes 2010, sections 124D.095, subdivision 10; 126C.15, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Abeler	Daudt	Hamilton	Koenen	McNamara	Schomacker
Allen	Dauids	Hancock	Kriesel	Mullery	Scott
Anderson, B.	Dean	Hansen	Lanning	Murdock	Shimanski
Anderson, D.	Dettmer	Hilty	Leidiger	Murphy, M.	Simon
Anderson, P.	Dittrich	Holberg	LeMieur	Murray	Slawik
Anderson, S.	Doepke	Hoppe	Lenczewski	Myhra	Smith
Atkins	Downey	Hortman	Liebling	Nornes	Stensrud
Banaian	Erickson	Hosch	Lillie	O'Driscoll	Swedzinski
Barrett	Fabian	Howes	Loon	Paymar	Torkelson
Beard	Franson	Johnson	Mack	Pelowski	Urdahl
Benson, J.	Garofalo	Kath	Mahoney	Petersen, B.	Vogel
Benson, M.	Gottwalt	Kelly	Mariani	Peterson, S.	Wardlow
Bills	Greiling	Kieffer	Mazorol	Quam	Westrom
Buesgens	Gruenhagen	Kiel	McDonald	Runbeck	Winkler
Cornish	Gunther	Kiffmeyer	McElfrick	Sanders	Woodard
Crawford	Hackbarth	Knuth	McFarlane	Scalze	Spk. Zellers

Those who voted in the negative were:

Anzelc	Drazkowski	Hausman	Lesch	Norton	Wagenius
Brynaert	Eken	Hilstrom	Loeffler	Peppin	Ward
Carlson	Falk	Hornstein	Melin	Persell	
Champion	Fritz	Huntley	Morrow	Poppe	
Davnie	Gauthier	Kahn	Murphy, E.	Rukavina	
Dill	Greene	Laine	Nelson	Thissen	

The bill was passed and its title agreed to.

Pursuant to rule 1.22, Holberg requested immediate consideration of H. F. No. 2398.

H. F. No. 2398 was reported to the House.

Anderson, P., moved to amend H. F. No. 2398, the third engrossment, as follows:

Page 52, delete section 33

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Hoppe and Atkins moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 22, after line 4, insert:

"Sec. 41. Minnesota Statutes 2010, section 48.24, subdivision 5, is amended to read:

Subd. 5. **Treatment of secured or guaranteed loans.** Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or by commitments or agreements to take over or to purchase the same, made by:

- (1) the ~~commissioner of agriculture on the purchase of agricultural land~~ Minnesota Department of Agriculture;
- (2) any Federal Reserve bank;
- (3) the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States;
- (4) the Minnesota Employment and Economic Development Department; or
- (5) a municipality or political subdivision within Minnesota to the extent that the guarantee or collateral is a valid and enforceable general obligation of that political body."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Peppin was excused between the hours of 11:40 a.m. and 2:05 p.m.

Hansen and Poppe moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 13, delete section 27

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen and Poppe amendment and the roll was called. There were 43 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Allen	Dill	Hornstein	Liebling	Nelson	Simon
Anzelc	Falk	Hosch	Lillie	Norton	Slawik
Atkins	Fritz	Huntley	Loeffler	Paymar	Wagenius
Benson, J.	Gauthier	Johnson	Mahoney	Pelowski	
Carlson	Greiling	Kahn	Mariani	Persell	
Champion	Hansen	Knuth	Mullery	Peterson, S.	
Clark	Hausman	Lenczewski	Murphy, E.	Poppe	
Davnie	Hilty	Lesch	Murphy, M.	Rukavina	

Those who voted in the negative were:

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

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

Kahn moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 32, after line 21, insert:

"Sec. 62. **PRESIDENT AND CONGRESS URGED TO NORMALIZE TRADE WITH CUBA.**

No later than October 1, 2012, the governor and the commissioner of agriculture must formally urge the President of the United States and Minnesota's congressional delegation to remove all trade, financial, and travel restrictions to Cuba. The existing restrictions unnecessarily hinder agricultural exports to the detriment of Minnesota's agricultural producers and the state economy."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

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

Kahn and Franson moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 7, lines 1, 4, 8, 14, 19, 24, 27, 29, and 31, before "27" insert "18K."

Page 7, after line 8, insert:

"Sec. 14. Minnesota Statutes 2010, section 18J.03, is amended to read:

18J.03 CIVIL LIABILITY.

A person regulated by this chapter, chapter 18G ~~or~~, 18H, or 18K, or sections 21.80 to 21.92, is civilly liable for any violation of one of those statutes or associated rules by the person's employee or agent."

Page 8, lines 3, 15, and 21, before "27" insert "18K."

Page 9, lines 2, 8, 12, 20, 29, 30, and 32, before "27" insert "18K."

Page 10, lines 4, 6, 8, 13, 17, and 22, before "27" insert "18K."

Page 10, after line 28, insert:

"Sec. 26. Minnesota Statutes 2010, section 18J.09, is amended to read:

18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.

Penalties, cost reimbursements, fees, and other money collected under this chapter must be deposited into the state treasury and credited to the appropriate nursery and phytosanitary, industrial hemp, or seed account.

Sec. 27. Minnesota Statutes 2010, section 18J.11, subdivision 1, is amended to read:

Subdivision 1. **General violation.** Except as provided in subdivisions 2 ~~and~~, 3, and 4, a person is guilty of a misdemeanor if the person violates this chapter or an order, standard, stipulation, agreement, or schedule of compliance of the commissioner.

Sec. 28. Minnesota Statutes 2010, section 18J.11, is amended by adding a subdivision to read:

Subd. 4. **Controlled substance offenses.** Prosecution under this section does not preclude prosecution under chapter 152.

Sec. 29. **[18K.01] SHORT TITLE.**

This chapter may be referred to as the "Industrial Hemp Development Act."

Sec. 30. **[18K.02] PURPOSE.**

The legislature finds that the development and use of industrial hemp can improve the state's economy and agricultural vitality and the production of industrial hemp can be regulated so as not to interfere with the strict regulation of controlled substances in this state. The purpose of the Industrial Hemp Development Act is to promote the state economy and agriculture industry by permitting the development of a regulated industrial hemp industry while maintaining strict control of marijuana.

Sec. 31. **[18K.03] DEFINITIONS.**

Subdivision 1. **Scope.** The definitions in this section apply to this chapter.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of agriculture.

Subd. 3. **Industrial hemp.** "Industrial hemp" means all parts and varieties of the plant *Cannabis sativa* L. containing no greater than three-tenths of one percent tetrahydrocannabinol.

Subd. 4. **Marijuana.** "Marijuana" has the meaning given in section 152.01, subdivision 9.

Sec. 32. **[18K.04] INDUSTRIAL HEMP AUTHORIZED AS AGRICULTURAL CROP.**

Industrial hemp is considered an agricultural crop in this state if grown in compliance with this chapter. A person may possess, process, sell, or buy industrial hemp that is planted, grown, and harvested in accordance with the provisions of sections 18K.05 and 18K.06.

Sec. 33. **[18K.05] LICENSING.**

(a) A person growing or seeking to grow industrial hemp for commercial purposes must apply to the commissioner for license on a form prescribed by the commissioner.

(b) The application for a license must include the name and address of the applicant and the legal description of the land area to be used for the production of industrial hemp.

(c) The commissioner must require each first-time applicant for a license to submit to a background investigation conducted by the Bureau of Criminal Apprehension as a condition of licensure. As part of the background investigation, the Bureau of Criminal Apprehension must conduct criminal history checks of Minnesota records and is authorized to exchange fingerprints with the Federal Bureau of Investigation for the purpose of a criminal background check of the national files. The cost of the investigation must be paid by the applicant. Criminal history records provided to the department under this section must be treated as private data on individuals, as defined in section 13.02, subdivision 12.

(d) Prior to issuing a license under the provisions of this chapter, the commissioner must determine that the applicant has complied with all applicable requirements of the United States Department of Justice, Drug Enforcement Administration, for the production, distribution, and sale of industrial hemp.

(e) If the applicant has completed the application process to the satisfaction of the commissioner, the commissioner must issue a license which is valid until December 31 of the year of application. An individual licensed under this section is presumed to be growing industrial hemp for commercial purposes.

Sec. 34. **[18K.06] INDUSTRIAL HEMP PRODUCTION; NOTIFICATION.**

(a) Annually, a licensee must file with the commissioner:

(1) documentation showing that the seeds planted are of a type and variety certified to contain no more than three-tenths of one percent tetrahydrocannabinol; and

(2) a copy of any contract to grow industrial hemp.

(b) A licensee must notify the commissioner of the sale or distribution of any industrial hemp grown by the licensee, including, but not limited to, the name and address of the person or entity receiving the industrial hemp and the amount of industrial hemp sold.

Sec. 35. **[18K.07] RULEMAKING.**

(a) The commissioner shall make rules dealing with, but not limited to:

(1) supervising and inspecting industrial hemp during its growth and harvest;

(2) testing industrial hemp during growth to determine tetrahydrocannabinol levels;

(3) assessing a fee commensurate with the costs of the commissioner's activities in licensing, testing, and supervising industrial hemp production;

(4) using the results of the background checks authorized in section 18K.05 as criteria for approving or denying an application for industrial hemp licensure; and

(5) any other rule or procedure necessary to carry out the purposes of this chapter.

(b) Rules made under this section must be consistent with the rules of the United States Department of Justice, Drug Enforcement Administration, regarding the production, distribution, and sale of industrial hemp.

Sec. 36. **[18K.08] INDUSTRIAL HEMP ACCOUNT; FEES.**

Fees collected under this chapter must be credited to the industrial hemp account, which is hereby established in the agricultural fund in the state treasury. Interest earned in the account accrues to the account. Funds in the industrial hemp account are continuously appropriated to the commissioner to implement and enforce this chapter.

Sec. 37. **[18K.09] DEFENSE FOR POSSESSION OF MARIJUANA.**

It is an affirmative defense to a prosecution for the possession of marijuana under chapter 152 if:

(1) the defendant was growing industrial hemp pursuant to the provisions of this chapter;

(2) the defendant has a valid applicable controlled substances registration from the United States Department of Justice, Drug Enforcement Administration;

(3) the defendant fully complied with all of the conditions of the controlled substances registration; and

(4) the substance in possession is industrial hemp, as defined in section 18K.03."

Page 22, after line 4, insert:

"Sec. 52. Minnesota Statutes 2010, section 152.01, subdivision 9, is amended to read:

Subd. 9. **Marijuana.** "Marijuana" means all parts of the plant of any species of the genus Cannabis, including all agronomical varieties, whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin, but shall not include the mature stalks of such plant, fiber from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks, except the resin extracted therefrom, fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination. Marijuana does not include industrial hemp as defined in section 18K.03."

Page 31, after line 24, insert:

"Sec. 72. Minnesota Statutes 2010, section 375.30, subdivision 2, is amended to read:

Subd. 2. **Wild hemp.** A county board, by resolution, may appropriate and spend money as necessary to spray and otherwise eradicate wild hemp, commonly known as marijuana, on private property within the county. The county board may authorize the use of county equipment, personnel and supplies and materials to spray or otherwise eradicate wild hemp on private property, and may pro rate the expenses involved between the county and owner or occupant of the property. Wild hemp does not include industrial hemp grown by a person licensed under chapter 18K."

Page 33, after line 6, insert:

"Sec. 76. **EFFECTIVE DATE.**

Section 35 is effective the day after the United States Department of Justice, Drug Enforcement Administration, authorizes a person to commercially grow industrial hemp in the United States."

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 Kahn and Franson amendment and the roll was called. There were 52 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abeler	Clark	Hansen	Kahn	Mahoney	Petersen, B.
Allen	Davnie	Hausman	Knuth	Mariani	Peterson, S.
Beard	Eken	Hilstrom	Koenen	Melin	Rukavina
Benson, J.	Falk	Hilty	Kriesel	Morrow	Scalze
Bills	Franson	Hornstein	Laine	Mullery	Slawik
Brynaert	Garofalo	Hortman	Lesch	Murphy, E.	Wagenius
Buesgens	Gauthier	Hosch	Liebling	Murphy, M.	Woodard
Carlson	Greene	Huntley	Lillie	Paymar	
Champion	Greiling	Johnson	Loeffler	Persell	

Those who voted in the negative were:

Anderson, B.	Dean	Hackbarth	LeMieur	Nornes	Thissen
Anderson, D.	Dettmer	Hamilton	Lenczewski	O'Driscoll	Torkelson
Anderson, P.	Dill	Hancock	Loon	Pelowski	Urdahl
Anderson, S.	Dittrich	Holberg	Mack	Quam	Vogel
Anzelc	Doepke	Hoppe	Mazorol	Runbeck	Ward
Atkins	Downey	Howes	McDonald	Sanders	Wardlow
Banaian	Draskowski	Kath	McElfratrick	Schomacker	Westrom
Barrett	Erickson	Kelly	McFarlane	Scott	Winkler
Benson, M.	Fabian	Kieffer	McNamara	Shimanski	Spk. Zellers
Cornish	Fritz	Kiel	Murdock	Simon	
Crawford	Gottwalt	Kiffmeyer	Murray	Smith	
Daudt	Gruenhagen	Lanning	Myhra	Stensrud	
Davids	Gunther	Leidiger	Nelson	Swedzinski	

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

Kath and Murdock moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 32, after line 21, insert:

"Sec. 62. **STEELE COUNTY; CIP BONDING AUTHORITY.**

(a) The governing body of Steele county may, by resolution, include in its capital improvement plan under Minnesota Statutes, section 373.40, buildings to be acquired, constructed, and improved at its fairgrounds for use by its agricultural society.

(b) The buildings authorized by paragraph (a) constitute "capital improvements" for all purposes of Minnesota Statutes, section 373.40, if the principal amount of bonds issued to finance the buildings do not exceed \$650,000.

EFFECTIVE DATE. This section is effective the day after the governing body of Steele county and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 63. **WADENA COUNTY; CIP BONDING AUTHORITY.**

(a) The governing body of Wadena county may, by resolution, include in its capital improvement plan under Minnesota Statutes, section 373.40, buildings to be acquired, constructed, and improved at its fairgrounds for use by its agricultural society.

(b) The buildings authorized by paragraph (a) constitute "capital improvements" for all purposes of Minnesota Statutes, section 373.40, if the principal amount of bonds issued to finance the buildings do not exceed \$1,000,000.

EFFECTIVE DATE. This section is effective the day after the governing body of Wadena county and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn, Franson and Davids moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 32, after line 21, insert:

"Sec. 62. **INDUSTRIAL HEMP REPORT.**

No later than February 1, 2013, the commissioner of agriculture must submit to the legislative committees with jurisdiction over agricultural finance a proposal detailing how to expeditiously legalize and regulate industrial hemp as an agricultural crop once the United States Department of Justice, Drug Enforcement Administration, authorizes a person to commercially grow industrial hemp in the United States. The commissioner must convene an uncompensated advisory task force under Minnesota Statutes, section 15.014, that includes the commissioner of public safety and other stakeholders. The proposal must include recommended legislation."

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 Kahn et al amendment and the roll was called. There were 39 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Abeler	Falk	Hilty	Koenen	McNamara	Persell
Allen	Franson	Hornstein	Kriesel	Melin	Rukavina
Carlson	Garofalo	Hortman	Laine	Morrow	Scalze
Clark	Gauthier	Hosch	Liebling	Mullery	Wagenius
Davids	Greene	Johnson	Loeffler	Murphy, E.	
Davnie	Greiling	Kahn	Mahoney	Murphy, M.	
Eken	Hausman	Knuth	Mariani	Paymar	

Those who voted in the negative were:

Anderson, B.	Crawford	Hackbarth	LeMieur	Norton	Swedzinski
Anderson, D.	Daudt	Hamilton	Lenczewski	O'Driscoll	Thissen
Anderson, P.	Dean	Hancock	Lesch	Pelowski	Torkelson
Anderson, S.	Dettmer	Hansen	Lillie	Petersen, B.	Urdahl
Anzelc	Dill	Holberg	Loon	Peterson, S.	Vogel
Atkins	Dittrich	Hoppe	Mack	Quam	Ward
Banaian	Doepke	Hoves	Mazorol	Runbeck	Wardlow
Barrett	Downey	Huntley	McDonald	Sanders	Westrom
Beard	Drazkowski	Kath	McElfrick	Schomacker	Winkler
Benson, M.	Erickson	Kelly	McFarlane	Scott	Woodard
Bills	Fabian	Kieffer	Murdock	Shimanski	Spk. Zellers
Brynaert	Fritz	Kiel	Murray	Simon	
Buesgens	Gottwalt	Kiffmeyer	Myhra	Slawik	
Champion	Gruenhagen	Lanning	Nelson	Smith	
Cornish	Gunther	Leidiger	Nornes	Stensrud	

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

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

Clark, Hosch and Kahn moved to amend H. F. No. 2398, the third engrossment, as amended, as follows:

Page 32, after line 21, insert:

"Sec. 62. **GENETICALLY ENGINEERED FOOD LABELING REPORT.**

No later than February 1, 2013, the commissioner of agriculture must submit to the legislative committees with jurisdiction over agricultural finance a report that evaluates options and opportunities to provide food label information that informs consumers about the use of genetically engineered organisms in food sold or offered for sale in this state. The commissioner must convene an uncompensated advisory task force under Minnesota Statutes, section 15.014, that includes consumers, food safety professionals, representatives of both conventional and organic agriculture, and other stakeholders. The report must include recommended legislation."

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 et al amendment and the roll was called. There were 44 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hornstein	Lenczewski	Murphy, E.	Slawik
Allen	Franson	Hortman	Lesch	Murphy, M.	Wagenius
Anderson, S.	Fritz	Hosch	Liebling	Nelson	Ward
Brynaert	Greene	Johnson	Loeffler	Norton	Winkler
Carlson	Greiling	Kahn	Loon	Paymar	
Champion	Hausman	Knuth	Mariani	Rukavina	
Clark	Hilstrom	Laine	Melin	Scalze	
Davnie	Hilty	Leidiger	Mullery	Simon	

Those who voted in the negative were:

Anderson, B.	Daudt	Gottwalt	Kiel	Murdock	Shimanski
Anderson, D.	Davids	Gruenhagen	Kiffmeyer	Murray	Smith
Anderson, P.	Dean	Gunther	Koenen	Myhra	Stensrud
Anzelc	Dettmer	Hackbarth	Kriesel	Nornes	Swedzinski
Atkins	Dill	Hamilton	Lanning	O'Driscoll	Torkelson
Banaian	Doepke	Hancock	Lillie	Pelowski	Urdahl
Barrett	Downey	Hansen	Mack	Persell	Vogel
Beard	Drazkowski	Holberg	Mahoney	Petersen, B.	Wardlow
Benson, J.	Eken	Hoppe	Mazorol	Peterson, S.	Westrom
Benson, M.	Erickson	Howes	McDonald	Quam	Woodard
Bills	Fabian	Huntley	McElfrick	Runbeck	Spk. Zellers
Buesgens	Falk	Kath	McFarlane	Sanders	
Cornish	Garofalo	Kelly	McNamara	Schomacker	
Crawford	Gauthier	Kieffer	Morrow	Scott	

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

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

Franson was excused between the hours of 1:00 p.m. and 2:00 p.m.

Champion was excused between the hours of 1:00 p.m. and 2:05 p.m.

MOTION FOR RECONSIDERATION

Garofalo moved that the vote whereby the Kahn amendment to H. F. No. 2398, the third engrossment, as amended, was adopted earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Garofalo motion and the roll was called. There were 67 yeas and 56 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion prevailed.

The Kahn amendment to H. F. No. 2398, the third engrossment, as amended, was again reported to the House and reads as follows:

Page 32, after line 21, insert:

"Sec. 62. **PRESIDENT AND CONGRESS URGED TO NORMALIZE TRADE WITH CUBA.**

No later than October 1, 2012, the governor and the commissioner of agriculture must formally urge the President of the United States and Minnesota's congressional delegation to remove unnecessary trade, financial, and travel restrictions to Cuba. The existing restrictions unnecessarily hinder agricultural exports to the detriment of Minnesota's agricultural producers and the state economy."

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 Kahn amendment and the roll was called. There were 49 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilty	Lesch	Murphy, M.	Thissen
Allen	Dittrich	Hortman	Liebling	Nelson	Wagenius
Anzelc	Eken	Hosch	Lillie	Paymar	Winkler
Atkins	Falk	Huntley	Loeffler	Persell	Woodard
Benson, J.	Gauthier	Johnson	Mahoney	Petersen, B.	
Brynaert	Greiling	Kahn	Mariani	Peterson, S.	
Carlson	Hansen	Kieffer	Melin	Rukavina	
Clark	Hausman	Knuth	Mullery	Scalze	
Davnie	Hilstrom	Laine	Murphy, E.	Slawik	

Those who voted in the negative were:

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

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

H. F. No. 2398, A bill for an act relating to agriculture; modifying provisions related to pesticides, plants, nursery law, inspections, enforcements, seeds, commercial feed, food, animals, grain, and weights and measures; establishing Dairy Research, Teaching, and Consumer Education Authority; providing for food law enforcement; making technical and conforming changes; repealing obsolete provisions; extending certain exceptions to the minimum content requirements for biodiesel; imposing penalties; providing certain counties capital improvement plan authority; modifying treatment of certain secured or guaranteed loans; requiring reports; amending Minnesota Statutes 2010, sections 17.114, subdivisions 3, 4; 17.982, subdivision 1; 17.983; 18B.065, subdivision 2a; 18B.316, subdivision 6; 18G.02, subdivision 14; 18G.10, subdivision 7, by adding a subdivision; 18H.02, subdivision 14, by adding a subdivision; 18H.10; 18H.14; 18J.01; 18J.02; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 21.82, subdivisions 7, 8; 25.33, subdivisions 5, 13, 14; 25.36; 25.37; 28A.03, subdivisions 3, 5, 6; 28A.21, subdivision 6; 31.01, subdivisions 2, 3, 4, 21, 25, 28; 31.121; 31.123; 31.13; 31.94; 31A.02, subdivisions 13, 14, 15, 16; 31A.23; 32.01, subdivisions 11, 12; 35.0661, subdivisions 2, 3; 40A.17; 41A.12, subdivisions 2, 4; 48.24, subdivision 5; 223.16, subdivision 12; 223.17, subdivisions 1, 4, 9; 232.21, subdivisions 2, 6, 12; 232.22, subdivisions 3, 4, 5, 7; 232.23, subdivisions 2, 10; 232.24, subdivisions 1, 2; 239.092; 239.093; 239.77, subdivision 3; Laws 2010, chapter 228, section 4; Laws 2010, Second Special Session chapter 1, article 1, section 11; Laws 2011, chapter 14, section 6; proposing coding for new law as Minnesota Statutes, chapters 32C; 34A; repealing Minnesota Statutes 2010, sections 17.984; 17B.01; 17B.02; 17B.03; 17B.04; 17B.041; 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10; 17B.11; 17B.12; 17B.13; 17B.14; 17B.15, subdivisions 1, 3; 17B.16; 17B.17; 17B.18; 17B.20; 17B.22, subdivisions 1, 2; 17B.28; 17B.29; 28.15; 28A.12; 28A.13; 29.28; 31.031; 31.041; 31.05; 31.14; 31.393; 31.58; 31.592; 31.621, subdivision 5; 31.631, subdivision 4; 31.633,

subdivision 2; 31.681; 31.74, subdivision 3; 31.91; 31A.24; 31A.26; 32.078; 32.475, subdivision 7; 32.61; 32.90; 34.113; 35.243; 35.255; 35.67; 35.72, subdivisions 1, 2, 3, 4, 5; 223.16, subdivision 7; 223.18; 232.21, subdivision 4; 232.24, subdivision 3; 232.25; 233.01; 233.015; 233.017; 233.02; 233.03; 233.05; 233.06; 233.07; 233.08; 233.09; 233.10; 233.11; 233.12; 233.22; 233.23; 233.24; 233.33; 234.01; 234.03; 234.04; 234.05; 234.06; 234.08; 234.09; 234.10; 234.11; 234.12; 234.13; 234.14; 234.15; 234.16; 234.17; 234.18; 234.19; 234.20; 234.21; 234.22; 234.23; 234.24; 234.25; 234.27; 235.01; 235.02; 235.04; 235.05; 235.06; 235.07; 235.08; 235.09; 235.10; 235.13; 235.18; 236.01; 236.02; 236.03; 236.04; 236.05; 236.06; 236.07; 236.08; 236.09; 395.14; 395.15; 395.16; 395.17; 395.18; 395.19; 395.20; 395.21; 395.22; 395.23; 395.24; Minnesota Rules, parts 1505.0780; 1505.0810; 1511.0100; 1511.0110; 1511.0120; 1511.0130; 1511.0140; 1511.0150; 1511.0160; 1511.0170; 1540.0010, subpart 26; 1550.0930, subparts 3, 4, 5, 6, 7; 1550.1040, subparts 3, 4, 5, 6; 1550.1260, subparts 6, 7; 1562.0100, subparts 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25; 1562.0200; 1562.0400; 1562.0700; 1562.0900; 1562.1300; 1562.1800.

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 102 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilstrom	Leidiger	Murphy, E.	Schomacker
Anderson, D.	Dittrich	Hilty	Lenczewski	Murphy, M.	Scott
Anderson, P.	Doepke	Holberg	Lesch	Murray	Shimanski
Anderson, S.	Eken	Hoppe	Liebling	Myhra	Simon
Anzelc	Erickson	Hortman	Lillie	Nelson	Slawik
Atkins	Fabian	Hosch	Loeffler	Nornes	Smith
Banaian	Falk	Howes	Loon	Norton	Stensrud
Barrett	Fritz	Huntley	Mack	O'Driscoll	Swedzinski
Beard	Garofalo	Kath	Mahoney	Paymar	Thissen
Benson, J.	Gottwalt	Kelly	Mazorol	Pelowski	Torkelson
Brynaert	Greene	Kieffer	McDonald	Persell	Urdahl
Carlson	Gruenhagen	Kiel	McElpatrick	Petersen, B.	Vogel
Cornish	Gunther	Kiffmeyer	McFarlane	Peterson, S.	Ward
Crawford	Hackbarth	Koenen	McNamara	Rukavina	Westrom
Davids	Hamilton	Kriesel	Melin	Runbeck	Winkler
Dean	Hancock	Laine	Morrow	Sanders	Woodard
Dettmer	Hansen	Lanning	Murdock	Scalze	Spk. Zellers

Those who voted in the negative were:

Allen	Buesgens	Downey	Johnson	Mullery
Anderson, B.	Clark	Drazkowski	Kahn	Quam
Benson, M.	Daudt	Greiling	Knuth	Wagenius
Bills	Davnie	Hausman	Mariani	Wardlow

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1923:

O'Driscoll, Banaian and Hosch.

CALENDAR FOR THE DAY

S. F. No. 2392 was reported to the House.

Atkins moved to amend S. F. No. 2392, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2784, the first engrossment:

"Section 1. Minnesota Statutes 2010, section 340A.315, is amended by adding a subdivision to read:

Subd. 8. **Bulk wine.** Farm wineries licensed under this section are permitted to purchase and use bulk wine, provided:

(1) the quantity of bulk wine in any farm winery's annual production shall not exceed ten percent of that winery's annual production;

(2) that bulk wine under section 340A.315, subdivision 4, shall be counted as a portion of the 49 percent of product that need not be Minnesota-grown and may be imported from outside Minnesota; and

(3) that the bulk wine must be blended and not directly bottled.

"Bulk wine," as used in this subdivision, means fermented juice from grapes, other fruit bases, or honey.

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

Sec. 2. Minnesota Statutes 2010, section 340A.315, is amended by adding a subdivision to read:

Subd. 9. **Agricultural land.** A farm winery license must be issued for operation of a farm winery on agricultural land, as defined under section 273.13, subdivision 23, paragraph (e). Farm wineries with licenses issued prior to March 1, 2012, are exempt from this provision.

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

Sec. 3. 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. 4. Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a, is amended to read:

Subd. 5a. **Wine festival.** A municipality with the approval of the commissioner may issue a temporary license to a bona fide association of owners and operators of wineries sponsoring an annual festival to showcase wines produced by members of the association. The commissioner may only approve one temporary license in a calendar year for each qualified association under this subdivision. The license issued under this subdivision authorizes the sale of table, sparkling, or fortified wines produced by the wineries at on-sale by the glass, provided that no more than two glasses per customer may be sold, and off-sale by the bottle, provided that no more than six bottles in total per customer may be sold. The license also authorizes the dispensing of free samples of the wines offered for sale within designated premises of the festival. A license issued under this subdivision is subject to all laws and ordinances governing the sale, possession, and consumption of table, sparkling, or fortified wines. For purposes of this subdivision, a "bona fide association of owners and operators of wineries" means an association of more than ten wineries that has been in existence for more than two years at the time of application for the temporary license.

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

Sec. 5. **[340A.4042] WINE EDUCATOR; ON-SALE LICENSE.**

The commissioner may issue an on-sale license to a person meeting the requirements specified in sections 340A.402 and 340A.409, at an annual cost of \$250 per license to a wine educator and \$50 per permit for each employee of the wine educator that will be pouring wine, under the following conditions:

(1) the license may be used to purchase wine at retail and serve wine for educational purposes in any part of the state, unless a political subdivision adopts an ordinance prohibiting wine education;

(2) wine educators may conduct classes and dispense wine for tasting purposes, in an amount not to exceed five ounces per hour per person, for a maximum of three hours to any one class in one day;

(3) all events conducted pursuant to this license must be conducted through advance registration, and no walk-in access to the general public is permitted;

(4) licensees must possess certification that is satisfactory to the commissioner, including, but not limited to, a certified specialist of wine or certified wine educator status as conferred by the Society of Wine Educators, a Wine and Spirits Education Trust Diploma, status as a certified sommelier, or the completion of a wine industry program at a technical college or culinary school. A wine educator must also complete Training for Intervention Procedures (TIPS) or other certified alcohol training programs and have a valid certificate on file with the commissioner;

(5) a license holder shall not sell alcohol for off-premises consumption and no orders may be taken for future sales;

(6) classes shall not be conducted at retail businesses that do not have a liquor license during business hours;

(7) prior to providing a class authorized under this section, the licensee shall notify the police chief of the city where the class will take place, if the event will take place within the corporate limits of a city. If the city has no police department, the licensee shall notify the city's clerk. If the class will take place outside the corporate limits of any city, the licensee shall notify the sheriff of the county where the class will take place; and

(8) notwithstanding any law or ordinance to the contrary, a holder of an off-sale license may also have and utilize a wine educator license.

Sec. 6. Minnesota Statutes 2010, section 340A.412, subdivision 14, is amended to read:

Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision, an exclusive liquor store may sell only the following items:

(1) alcoholic beverages;

(2) tobacco products;

(3) ice;

(4) beverages, either liquid or powder, specifically designated for mixing with intoxicating liquor;

(5) soft drinks;

(6) liqueur-filled candies;

(7) food products that contain more than one-half of one percent alcohol by volume;

(8) cork extraction devices;

(9) books and videos on the use of alcoholic beverages;

(10) magazines and other publications published primarily for information and education on alcoholic beverages;

(11) multiple-use bags designed to carry purchased items;

(12) devices designed to ensure safe storage and monitoring of alcohol in the home, to prevent access by underage drinkers; ~~and~~

(13) home brewing equipment; and

(14) clothing marked with the specific name, brand, or identifying logo of the exclusive liquor store, and bearing no other name, brand, or identifying logo.

(b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale license may sell food for on-premise consumption when authorized by the municipality issuing the license.

(c) An exclusive liquor store may offer live or recorded entertainment.

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

Sec. 7. Minnesota Statutes 2010, section 340A.419, subdivision 2, is amended to read:

Subd. 2. **Tastings.** (a) Notwithstanding any other law, an exclusive liquor store may conduct a wine, malt liquor, or spirits tasting on the premises of a holder of an on-sale intoxicating liquor license that is not a temporary license or on the premises of a holder of a wine license under section 340A.404, subdivision 5, if the exclusive liquor store complies with this section.

(b) No wine, malt liquor, or spirits authorized for use under this section may be sold for off-premises consumption. A participant in the tasting may fill out a form indicating preferences for wine, malt liquor, or spirits. The form may be held on the premises of the exclusive liquor store to assist the participant in making an off-sale purchase at a later date.

(c) Notwithstanding any other law, an exclusive liquor store may purchase or otherwise obtain wine or spirits for a tasting conducted under this section from a wholesaler licensed to sell wine or spirits. The wholesaler may sell or give wine or spirits to an exclusive liquor store for a tasting conducted under this section and may provide personnel to assist in the tasting.

(d) An exclusive liquor store that conducts a tasting under this section must use any fees collected from participants in the tasting only to defray the cost of conducting the tasting.

(e) Notwithstanding section 340A.409, subdivision 4, the premises on which a tasting is conducted must be insured as required by section 340A.409, subdivision 1.

(f) Exclusive liquor stores may conduct classes for a fee and allow tastings in the conduct of those classes, provided that the amount served at a class is limited to the amount authorized under section 340A.4041.

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

Sec. 8. **WINNEBAGO EXEMPTION; OUT-OF-STATE CRAFT BREWER.**

Notwithstanding any law or ordinance to the contrary, an out-of-state brewer may import malt liquor for sale at retail on one day per calendar year, in the city of Winnebago, provided that the total production of malt liquor produced by the brewer in the prior calendar year was less than 5,000 barrels, and provided that the seller of the malt liquor holds an appropriate retail license. Malt liquor imported under this section must be registered in accordance with section 340A.311.

EFFECTIVE DATE. This section is effective upon approval by the Winnebago City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 9. **ON-SALE LICENSE AUTHORIZED.**

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of Moorhead may issue an on-sale intoxicating liquor license to the governing body of the Bluestem Center for the Arts for the premises known as the Bluestem Center for the Arts. The license shall authorize the dispensing of intoxicating liquor only to persons attending events on the licensed premises, and shall authorize consumption on the licensed premises only. The license may provide that the governing body of the Bluestem Center for the Arts may contract for intoxicating liquor catering service with the holder of an on-sale intoxicating liquor license issued by the city of Moorhead. The city council shall establish the fee for the license. All provisions of Minnesota Statutes, chapter 340A, governing alcoholic beverages not inconsistent with this law apply to the license.

EFFECTIVE DATE. This section is effective upon approval by the Moorhead City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 10. **SPECIAL PROVISION; CITY OF MINNEAPOLIS.**

(a) The city of Minneapolis may extend any interim zoning, liquor licensing, or other approvals granted to Kick's Liquor Store, Inc., a Minnesota corporation currently licensed as an exclusive liquor store doing business as Broadway Liquor Outlet at 2201 West Broadway, where the building housing the business at its current location was damaged beyond reasonable repair by the 2011 tornado, to permit the ongoing interim operation of the business in a temporary structure at the current location prior to the relocation of the business to a permanent facility located across the street at 2200-2220 West Broadway, or as this property is or may be more fully described in the property records of Hennepin County, notwithstanding limitations of law, local ordinances, or charter provisions relating to zoning or liquor licensing.

(b) The city of Minneapolis may grant, renew, or otherwise reissue the existing off-sale intoxicating liquor license to Kick's Liquor Store, Inc., doing business as Broadway Liquor Outlet, upon the relocation of the business to the permanent facility at 2200-2220 West Broadway or as this property is or may be more fully described in the property records of Hennepin County, notwithstanding limitations of law, local ordinances, or charter provisions relating to liquor licensing or contiguous zoning requirements.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021

Sec. 11. **EXPIRATION.**

The changes in section 3 to Minnesota Statutes, section 340A.404, subdivision 4a, expire July 1, 2014.

Sec. 12. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 340A.404, subdivision 5a, as Minnesota Statutes, section 340A.4175, and make any necessary cross-reference changes in Minnesota Statutes.

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

Delete the title and insert:

"A bill for an act relating to liquor; modifying liquor regulations; authorizing liquor licenses; amending Minnesota Statutes 2010, sections 340A.315, by adding subdivisions; 340A.404, subdivision 4a; 340A.412, subdivision 14; 340A.419, subdivision 2; Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 340A."

The motion prevailed and the amendment was adopted.

The Speaker called Davids to the Chair.

Drazkowski, Falk, Kahn, Runbeck, Kriesel, Wardlow and Kelly moved to amend S. F. No. 2392, the second engrossment, as amended, as follows:

Page 5, after line 34, insert:

"Sec. 8. Minnesota Statutes 2010, section 340A.504, subdivision 4, is amended to read:

Subd. 4. **Intoxicating liquor; off-sale.** No sale of intoxicating liquor may be made by an off-sale licensee:

- (1) ~~on Sundays;~~
 (2) before 8:00 a.m. or after 10:00 p.m. on Monday through ~~Saturday~~ Sunday; or
 (3) ~~on Thanksgiving Day;~~
 (4) (2) on Christmas Day, December 25; ~~or,~~
 (5) ~~after 8:00 p.m. on Christmas Eve, December 24.~~

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

A roll call was requested and properly seconded.

The question was taken on the Drazkowski et al amendment and the roll was called. There were 25 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Benson, J.	Falk	Kelly	Loon	Runbeck
Bills	Hancock	Kieffer	Myhra	Scalze
Buesgens	Hilstrom	Kriesel	Norton	Stensrud
Dill	Hosch	Lesch	Paymar	Wardlow
Drazkowski	Kahn	Liebling	Peterson, S.	Woodard

Those who voted in the negative were:

Abeler	Dauids	Gunther	Laine	Murdock	Slawik
Allen	Davnie	Hackbarth	Lanning	Murphy, E.	Smith
Anderson, B.	Dean	Hamilton	Leidiger	Murphy, M.	Swedzinski
Anderson, D.	Dettmer	Hansen	Lenczewski	Murray	Thissen
Anderson, P.	Dittrich	Hausman	Lillie	Nelson	Torkelson
Anzelc	Doepke	Hilty	Loeffler	Nornes	Urdahl
Atkins	Downey	Holberg	Mack	O'Driscoll	Vogel
Banaian	Eken	Hoppe	Mahoney	Pelowski	Wagenius
Barrett	Erickson	Hortman	Mariani	Persell	Ward
Beard	Fabian	Howes	Mazorol	Petersen, B.	Westrom
Benson, M.	Fritz	Huntley	McDonald	Quam	Winkler
Brynaert	Garofalo	Johnson	McElpatrick	Rukavina	Spk. Zellers
Carlson	Gauthier	Kath	McFarlane	Sanders	
Clark	Gottwalt	Kiel	McNamara	Schomacker	
Cornish	Greene	Kiffmeyer	Melin	Scott	
Crawford	Greiling	Knuth	Morrow	Shimanski	
Daudt	Gruenhagen	Koenen	Mullery	Simon	

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

Kriesel, Drazkowski, Kahn and Lesch moved to amend S. F. No. 2392, the second engrossment, as amended, as follows:

Page 5, after line 34, insert:

"Sec. 8. Minnesota Statutes 2010, section 340A.504, subdivision 4, is amended to read:

Subd. 4. **Intoxicating liquor; off-sale.** No sale of intoxicating liquor may be made by an off-sale licensee:

(1) on Sundays, except that a county located on a border with another state or Canadian province may authorize Sunday sales between the hours of 11:00 a.m. and 8:00 p.m.;

(2) before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;

(3) on Thanksgiving Day;

(4) on Christmas Day, December 25; or

(5) after 8:00 p.m. on Christmas Eve, December 24."

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 Kriesel et al amendment and the roll was called. There were 21 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Anderson, P.	Buesgens	Drazkowski	Kriesel	Norton	Stensrud
Barrett	Cornish	Falk	Lesch	Paymar	
Benson, J.	Dill	Hosch	Loon	Runbeck	
Bills	Dittrich	Kahn	Myhra	Scalze	

Those who voted in the negative were:

Abeler	Davids	Greiling	Johnson	Loeffler	Murphy, M.
Allen	Davnie	Gruenhagen	Kath	Mack	Murray
Anderson, B.	Dean	Gunther	Kelly	Mahoney	Nelson
Anderson, D.	Dettmer	Hackbarth	Kieffer	Mariani	Nornes
Anzelc	Doepke	Hancock	Kiel	Mazorol	O'Driscoll
Atkins	Downey	Hansen	Kiffmeyer	McDonald	Pelowski
Banaian	Eken	Hausman	Knuth	McElfatrick	Persell
Beard	Erickson	Hilstrom	Koenen	McFarlane	Peterson, S.
Benson, M.	Fabian	Hilty	Laine	McNamara	Quam
Brynaert	Fritz	Holberg	Lanning	Melin	Rukavina
Carlson	Garofalo	Hoppe	Leidiger	Morrow	Sanders
Clark	Gauthier	Hortman	Lenczewski	Mullery	Schomacker
Crawford	Gottwalt	Howes	Liebling	Murdock	Scott
Daudt	Greene	Huntley	Lillie	Murphy, E.	Shimanski

Simon	Swedzinski	Urdahl	Ward	Winkler
Slawik	Thissen	Vogel	Wardlow	Woodard
Smith	Torkelson	Wagenius	Westrom	Spk. Zellers

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

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

Kahn and Hoppe moved to amend S. F. No. 2392, the second engrossment, as amended, as follows:

Page 5, after line 34, insert:

"Sec. 8. **[340A.5035] PERSONS AGES 19 TO 20; SPECIAL EXEMPTION.**

Notwithstanding the provisions of sections 340A.503, 340A.701, and 340A.702, or any other provision of law, persons at least 19 years of age and less than 21 years of age may consume alcohol within the premises of the holder of an on-sale intoxicating liquor license or a holder of an on-sale 3.2 malt liquor license. No penalties shall be applied to consumption of alcohol allowed in this section. All other provisions of this chapter and all penalties for other illegal behaviors noted within this chapter apply to behavior allowed under this section.

EFFECTIVE DATE. This section is effective upon determination by the commissioners of transportation and public safety that this provision would not cause loss of federal transportation funds, and in that event, is effective at 8:00 a.m. on August 1, 2012, and applies to all persons who are age 19 or older on or after that date."

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

Kahn moved to amend S. F. No. 2392, the second engrossment, as amended, as follows:

Page 5, after line 34, insert:

"Sec. 8. **[340A.5036] PERSONS UNDER AGE 21; SPECIAL EXEMPTION.**

Notwithstanding the provisions of sections 340A.503, 340A.701, and 340A.702, or any other provision of law, persons under 21 years of age who are accompanied by a parent or legal guardian may consume alcohol within the premises of the holder of an on-sale intoxicating liquor license or a holder of an on-sale 3.2 malt liquor license, at the discretion of the licensee. No penalties shall be applied to consumption of alcohol allowed in this section. All other provisions of this chapter and all penalties for other illegal behaviors noted within this chapter apply to behavior allowed under this section.

EFFECTIVE DATE. This section is effective at 8:00 a.m on August 1, 2012, and applies to all persons who are under 21 years of age on or after that date."

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

The Speaker resumed the Chair.

S. F. No. 2392, A bill for an act relating to liquor; modifying liquor regulation; authorizing liquor licenses; amending Minnesota Statutes 2010, sections 340A.315, by adding a subdivision; 340A.404, subdivision 4a; 340A.412, subdivision 14; 340A.419, subdivision 2; Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 340A.

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 107 yeas and 16 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Dettmer	Gruenhagen	Loeffler	Peppin	Scott
Benson, M.	Fabian	Holberg	Loon	Quam	
Dean	Falk	Lenczewski	McElfrick	Runbeck	

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

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

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 10, A Senate concurrent resolution setting a meeting date for a joint committee to meet to recommend nominees for regent of the University of Minnesota.

CAL R. LUDEMAN, Secretary of the Senate

SUSPENSION OF RULES

Dean moved that the rules be so far suspended that Senate Concurrent Resolution No. 10 be now considered and be placed upon its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION NO. 10

A Senate concurrent resolution setting a meeting date for a joint committee to meet to recommend nominees for regent of the University of Minnesota.

Be It Resolved, by the Senate of the State of Minnesota, the House of Representatives concurring, that for the purposes of Rule 4.01 of the Temporary Joint Rules of the Senate and House, the joint committee under that rule shall meet on April 3, 2012.

Dean moved that Senate Concurrent Resolution No. 10 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 10 was adopted.

MOTION TO INVITE SENATE TO JOINT CONVENTION

Dean moved that the Chief Clerk be instructed to invite the Senate by message to a Joint Convention to be held on Wednesday, April 4, 2012, at 6:00 p.m., in the chamber of the House of Representatives for the purpose of electing a member to the Board of Regents of the University of Minnesota. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Holberg announced her intention to place H. F. Nos. 2949 and 2171; S. F. No 2493; and H. F. Nos. 2580 and 2729 on the Fiscal Calendar for Monday, April 2, 2012.

CALENDAR FOR THE DAY

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

MOTIONS AND RESOLUTIONS

Kiel moved that the names of Hamilton and Fritz be added as authors on H. F. No. 682. The motion prevailed.

Champion moved that the name of Johnson be added as an author on H. F. No. 718. The motion prevailed.

Clark moved that the name of Johnson be added as an author on H. F. No. 1281. The motion prevailed.

Clark moved that the name of Johnson be added as an author on H. F. No. 1606. The motion prevailed.

Clark moved that the name of Johnson be added as an author on H. F. No. 1741. The motion prevailed.

Clark moved that the name of Tillberry be added as an author on H. F. No. 1885. The motion prevailed.

Clark moved that the name of Johnson be added as an author on H. F. No. 1902. The motion prevailed.

Drazkowski moved that the name of Runbeck be added as an author on H. F. No. 2140. The motion prevailed.

Howes moved that the name of Kahn be added as an author on H. F. No. 2485. The motion prevailed.

Vogel moved that the name of Koenen be added as an author on H. F. No. 2503. The motion prevailed.

Kiffmeyer moved that the name of Banaian be added as an author on H. F. No. 2555. The motion prevailed.

Peppin moved that the name of McDonald be added as an author on H. F. No. 2625. The motion prevailed.

Dauids moved that the name of McDonald be added as an author on H. F. No. 2655. The motion prevailed.

Allen moved that the name of Johnson be added as an author on H. F. No. 2781. The motion prevailed.

Lesch moved that the names of Davnie and Greiling be added as authors on H. F. No. 2807. The motion prevailed.

Mariani moved that the names of Gauthier, Norton and Johnson be added as authors on H. F. No. 2840. The motion prevailed.

Champion moved that the name of Johnson be added as an author on H. F. No. 2931. The motion prevailed.

Simon moved that the name of Laine be added as an author on H. F. No. 2984. The motion prevailed.

House Concurrent Resolution No. 6 was reported to the House.

HOUSE CONCURRENT RESOLUTION NO. 6

A House concurrent resolution relating to adjournment for more than three days.

Be It Resolved, by the House of Representatives of the State of Minnesota, the Senate concurring:

1. Upon their adjournments on April 5, 2012, the House of Representatives and Senate may each set its next day of meeting for Monday, April 16, 2012.

2. Each house consents to the adjournment of the other house for more than three days.

Dean moved that House Concurrent Resolution No. 6 be now adopted. The motion prevailed and House Concurrent Resolution No. 6 was adopted.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 12:30 p.m., Monday, April 2, 2012. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:30 p.m., Monday, April 2, 2012.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

