

STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2012

 NINETY-NINTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 3, 2012

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

Prayer was offered by The Reverend Kevin Schill, Simpson United Methodist Church Center for Servant Ministries, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

Atkins and Greiling were excused.

Greene was excused until 11:15 a.m. Anderson, B., was excused until 11:20 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.

The Speaker assumed the Chair.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 518, A bill for an act relating to transportation; governing rulemaking and permits; amending rulemaking authority for state-aid program; amending allocation of funds from certain overdimension motor vehicle permits; requiring a legislative report on water permitting process for transportation projects; making clarifying and technical changes; amending Minnesota Statutes 2010, sections 162.02, subdivisions 2, 3; 162.09, subdivisions 2, 3; 162.155; 169.86, by adding a subdivision; 169.865, subdivision 4; Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5.

Reported the same back with the following amendments:

Page 7, line 3, delete "November 15, 2012" and insert "January 15, 2013"

Page 7, after line 19, insert:

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

Sec. 10. **EFFECTIVE DATE.**

Unless another date is specified, this act is effective July 1, 2012."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1485, A bill for an act relating to gambling; modifying certain rates of tax on lawful gambling; providing for linked bingo and electronic pull-tabs; making clarifying, conforming, and technical changes; appropriating money; amending Minnesota Statutes 2010, sections 297E.02; 349.12, subdivisions 5, 12a, 25b, 25c, 25d, 29, 32, 32a; 349.13; 349.151, subdivisions 4b, 4c; 349.155, subdivisions 3, 4; 349.161, subdivision 1; 349.163, subdivisions 1, 6; 349.1635, subdivision 2, by adding a subdivision; 349.165, subdivision 2; 349.17, subdivisions 6, 7, 8; 349.1721, by adding subdivisions; 349.18, subdivision 1; 349.211, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 349.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 297E.01, subdivision 7, is amended to read:

Subd. 7. **Gambling product.** "Gambling product" means bingo hard cards, bingo paper sheets, ~~or~~ linked bingo paper sheets, or electronic linked bingo games; pull-tabs; electronic pull-tab games; tipboards; paddle tickets and paddle ticket cards; raffle tickets; or any other ticket, card, board, placard, device, or token that represents a chance, for which consideration is paid, to win a prize.

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

Sec. 2. Minnesota Statutes 2010, section 297E.01, subdivision 8, is amended to read:

Subd. 8. **Gross receipts.** "Gross receipts" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo hard cards ~~and~~ paper sheets, linked bingo paper sheets, and electronic linked bingo games before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab, electronic pull-tab games, and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and paddle tickets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.18, subdivision 3.

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

Sec. 3. Minnesota Statutes 2010, section 297E.01, subdivision 9, is amended to read:

Subd. 9. **Ideal gross.** "Ideal gross" means the total amount of receipts that would be received if every individual ticket in the pull-tab, electronic pull-tab games or tipboard deal, paddle wheel game, and raffle ticket was sold at its face value. In the calculation of ideal gross and prizes, a free play ticket pull-tab or electronic pull-tab shall be valued at face value. "Ideal gross" also means the total amount of receipts that would be received if every bingo paper sheet, linked bingo paper sheet, and electronic linked bingo games were sold at face value.

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

Sec. 4. Minnesota Statutes 2010, section 297E.02, subdivision 1, is amended to read:

Subdivision 1. **Imposition.** A tax is imposed on all lawful gambling other than (1) paper or electronic pull-tab deals or games; (2) tipboard deals or games; ~~and~~ (3) electronic linked bingo; and (4) items listed in section 297E.01, subdivision 8, clauses (4) and (5), at the rate of 8.5 percent on the gross receipts as defined in section 297E.01, subdivision 8, less prizes actually paid. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.62 and all local taxes and license fees except a fee authorized under section 349.16, subdivision 8, or a tax authorized under subdivision 5.

The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling.

EFFECTIVE DATE. This section is effective for games reported as played after June 30, 2012.

Sec. 5. Minnesota Statutes 2010, section 297E.02, subdivision 3, is amended to read:

Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section ~~other than in subdivision 4~~ are due and payable to the commissioner when the gambling tax return is required to be filed. ~~Taxes imposed by subdivision 4 are due and payable to the commissioner on or before the last business day of the month following the month in which the taxable sale was made.~~ Distributors must file their monthly sales figures with the commissioner on a form prescribed by the commissioner. Returns covering the taxes imposed under this section must be filed with the commissioner on or before the 20th day of the month following the close of the previous calendar month. The commissioner may require that the returns be filed via magnetic media or electronic data transfer. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the commissioner of management and budget for deposit in the general fund.

(b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

(c) One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to the commissioner of human services for the compulsive gambling treatment program established under section 245.98. One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to the Gambling Control Board for a grant to the state affiliate recognized by the National Council on Problem Gambling to increase public awareness of problem gambling, education and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research relating to problem gambling. Money appropriated by this paragraph must supplement and must not replace existing state funding for these programs.

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

Sec. 6. Minnesota Statutes 2010, section 297E.02, subdivision 6, is amended to read:

Subd. 6. **Combined net receipts tax.** In addition to the taxes imposed under subdivisions 1 and 4, a tax is imposed on the combined receipts of the organization. As used in this section, "combined net receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of bingo, raffles, and paddle wheels, as defined in section 297E.01, subdivision 8, and less the net prizes actually paid, other than prizes actually paid for bingo, raffles, and paddle wheels, for the fiscal year. The combined net receipts of an organization are subject to a tax computed according to the following schedule:

If the combined <u>net</u> receipts for the fiscal year are:	The tax is:
Not over \$500,000 <u>\$87,500</u>	zero <u>6.89 percent</u>
Over \$500,000 <u>\$87,500</u> , but not over \$700,000 <u>\$122,500</u>	1.7 <u>\$6,029</u> plus <u>13.78</u> percent of the amount over \$500,000 <u>\$87,500</u> , but not over \$700,000 <u>\$122,500</u>
Over \$700,000 <u>\$122,500</u> , but not over \$900,000 <u>\$157,500</u>	\$3,400 <u>\$10,852</u> plus 3.4 <u>20.67</u> percent of the amount over \$700,000 <u>\$122,500</u> , but not over \$900,000 <u>\$157,500</u>
Over \$900,000 <u>\$157,500</u>	\$10,200 <u>\$18,086</u> plus 5.1 <u>27.56</u> percent of the amount over \$900,000 <u>\$157,500</u>

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

Sec. 7. Minnesota Statutes 2010, section 297E.02, is amended by adding a subdivision to read:

Subd. 6a. **Unaccounted games.** If a licensed distributor cannot account for a pull-tab game, an electronic pull-tab game, a tipboard deal, paddletickets, an electronic linked bingo game, bingo paper sheets, or linked bingo paper sheets, the distributor must report the sheets or games to the commissioner as lost and remit a tax of six percent on the ideal gross of the sheets or games.

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

Sec. 8. Minnesota Statutes 2010, section 297E.02, subdivision 7, is amended to read:

Subd. 7. **Untaxed gambling product.** (a) In addition to penalties or criminal sanctions imposed by this chapter, a person, organization, or business entity possessing or selling a pull-tab, electronic pull-tab game or tipboard upon which the tax imposed by ~~subdivision 4~~ this chapter has not been paid is liable for a tax of six percent of the ideal gross of each pull-tab, electronic pull-tab game, or tipboard. The tax on a partial deal must be assessed as if it were a full deal.

(b) In addition to penalties and criminal sanctions imposed by this chapter, a person not licensed by the board who conducts bingo, linked bingo, electronic linked bingo, raffles, or paddle wheel games is liable for a tax of six percent of the gross receipts from that activity.

(c) The tax must be assessed by the commissioner. An assessment must be considered a jeopardy assessment or jeopardy collection as provided in section 270C.36. The commissioner shall assess the tax based on personal knowledge or information available to the commissioner. The commissioner shall mail to the taxpayer at the taxpayer's last known address, or serve in person, a written notice of the amount of tax, demand its immediate payment, and, if payment is not immediately made, collect the tax by any method described in chapter 270C, except that the commissioner need not await the expiration of the times specified in chapter 270C. The tax assessed by the commissioner is presumed to be valid and correctly determined and assessed. The burden is upon the taxpayer to show its incorrectness or invalidity. The tax imposed under this subdivision does not apply to gambling that is exempt from taxation under subdivision 2.

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

Sec. 9. Minnesota Statutes 2010, section 297E.02, subdivision 10, is amended to read:

Subd. 10. **Refunds; appropriation.** A person who has, under this chapter, paid to the commissioner an amount of tax for a period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of the excess. The amount necessary to pay the refunds under this subdivision ~~and subdivision 4, paragraph (d)~~, is appropriated from the general fund to the commissioner.

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

Sec. 10. Minnesota Statutes 2010, section 297E.02, subdivision 11, is amended to read:

Subd. 11. ~~**Unplayed or Defective pull-tabs or tipboards gambling products.** If a deal of pull-tabs or tipboards registered with the board or bar coded in accordance with this chapter and chapter 349 and upon which the tax imposed by subdivision 4 has been paid is returned unplayed to the distributor, the commissioner shall allow a refund of the tax paid.~~

If a defective deal registered with the board or bar coded in accordance with this chapter and chapter 349 ~~and upon which the taxes have been paid~~ is returned to the manufacturer, the distributor shall submit to the commissioner of revenue certification from the manufacturer that the deal was returned and in what respect it was defective. The certification must be on a form prescribed by the commissioner and must contain additional information the commissioner requires.

The commissioner may require ~~that no refund~~ under this subdivision ~~be made unless the~~ that all defective and returned pull-tabs or tipboards have been, paddle tickets, paper bingo sheets, and linked bingo paper sheets be set aside for inspection by the commissioner's employee.

Reductions in previously paid taxes authorized by this subdivision must be made when and in the manner prescribed by the commissioner.

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

Sec. 11. Minnesota Statutes 2010, section 297E.13, subdivision 5, is amended to read:

Subd. 5. **Untaxed gambling equipment.** It is a gross misdemeanor for a person to possess gambling equipment for resale in this state that has not been stamped or bar-coded in accordance with this chapter and chapter 349 and upon which the taxes imposed by chapter 297A or section 297E.02, ~~subdivision 4,~~ have not been paid. The director of alcohol and gambling enforcement or the commissioner or the designated inspectors and employees of the director or commissioner may seize in the name of the state of Minnesota any unregistered or untaxed gambling equipment.

EFFECTIVE DATE. This section is effective for actions occurring after June 30, 2012.

Sec. 12. Minnesota Statutes 2010, section 349.12, subdivision 3b, is amended to read:

Subd. 3b. **Bar operation.** "Bar operation" means a method of selling and redeeming disposable gambling equipment by an employee of the lessor within a leased premises which is licensed for the on-sale of alcoholic beverages ~~where such sales and redemptions are made by an employee of the lessor from a common area where food and beverages are also sold.~~

Sec. 13. Minnesota Statutes 2010, section 349.12, subdivision 3c, is amended to read:

Subd. 3c. **Bar bingo.** "Bar bingo" is a bingo occasion conducted at a permitted premises in an area where intoxicating liquor or 3.2 percent malt beverages are sold and where the licensed organization conducts another form of lawful gambling. Bar bingo does not include bingo games linked to other permitted premises.

Sec. 14. Minnesota Statutes 2010, section 349.12, subdivision 5, is amended to read:

Subd. 5. **Bingo occasion.** "Bingo occasion" means a single gathering or session at which a series of one or more successive bingo games is played. There is no limit on the number of games conducted during a bingo occasion ~~but~~. A bingo occasion must not last longer than eight consecutive hours, except that linked bingo games played on electronic bingo devices may be played during regular business hours of the permitted premises, and all play during this period is considered a bingo occasion for reporting purposes. For permitted premises where the primary business is bingo, regular business hours shall be defined as the hours between 8:00 a.m. and 2:00 a.m.

Sec. 15. Minnesota Statutes 2010, section 349.12, subdivision 6a, is amended to read:

Subd. 6a. **Booth operation.** "Booth operation" means a method of selling and redeeming disposable gambling equipment by an employee of a licensed organization in a premises the organization leases or owns ~~where such sales and redemptions are made within a separate enclosure that is distinct from areas where food and beverages are sold.~~

Sec. 16. Minnesota Statutes 2010, section 349.12, subdivision 12a, is amended to read:

Subd. 12a. **Electronic bingo device.** "Electronic bingo device" means ~~an~~ a handheld and portable electronic device that:

(a) is used by a bingo player to:

(1) monitor bingo paper sheets or a facsimile of a bingo paper sheet ~~when~~ purchased and played at the time and place of an organization's bingo occasion ~~and which (1) provides a means for bingo players to, or to play an electronic bingo game that is linked with other permitted premises;~~

(2) activate numbers announced ~~by a bingo caller;~~ ~~(2) compares~~ or displayed, and to compare the numbers ~~entered by the player~~ to the bingo faces previously stored in the memory of the device; ~~and~~

(3) ~~identifies~~ identify a winning bingo pattern; ~~or game requirement; and~~

(4) ~~play against other bingo players;~~

(b) ~~limits the play of bingo faces to 36 faces per game;~~

(c) ~~requires coded entry to activate play but does not allow the use of a coin, currency, or tokens to be inserted to activate play;~~

(d) ~~may only be used for play against other bingo players in a bingo game;~~

(e) ~~has no additional function as an amusement or gambling device;~~

(f) ~~has the capability to ensure adequate levels of security and internal controls; and~~

(g) ~~has the capability to permit the board to electronically monitor the operation of the device and the internal accounting systems.~~

~~Electronic bingo device does not mean any device into which coin, currency, or tokens are inserted to activate play.~~

Sec. 17. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12b. **Electronic pull-tab device.** "Electronic pull-tab device" means a handheld and portable electronic device that:

(a) is used to play one or more electronic pull-tab games;

(b) requires coded entry to activate play but does not allow the use of coin, currency, or tokens to be inserted to activate play;

(c) requires that a player must activate or open each electronic pull-tab ticket and each individual line, row, or column of each electronic pull-tab ticket;

(d) maintains information pertaining to accumulated win credits that may be applied to games in play or redeemed upon termination of play;

(e) has no spinning symbols or other representations that mimic a video slot machine;

(f) has no additional function as a gambling device;

(g) may incorporate an amusement game feature as part of the pull-tab game but may not require additional consideration for that feature or award any prize, or other benefit for that feature;

(h) may have auditory or visual enhancements to promote or provide information about the game being played, provided the component does not affect the outcome of a game or display the results of a game;

(i) maintains, on nonresettable meters, a printable, permanent record of all transactions involving each device and electronic pull-tab games played on the device; and

(j) is not a pull-tab dispensing device as defined under subdivision 32a.

Sec. 18. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12c. **Electronic pull-tab game.** "Electronic pull-tab game" means a pull-tab game containing:

(a) facsimiles of pull-tab tickets that are played on an electronic pull-tab device;

(b) a predetermined, finite number of winning and losing tickets, not to exceed 7,500 tickets;

(c) the same price for each ticket in the game;

(d) a price paid by the player of not less than 25 cents per ticket;

(e) tickets that are in conformance with applicable board rules for pull-tabs;

(f) winning tickets that comply with prize limits under section 349.211;

(g) a unique serial number that may not be regenerated;

(h) an electronic flare that displays the game name, form number, predetermined, finite number of tickets in the game, and prize tier; and

(i) no spinning symbols or other representations that mimic a video slot machine.

Sec. 19. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12d. **Electronic pull-tab game system.** "Electronic pull-tab game system" means the equipment leased from a licensed distributor and used by a licensed organization to conduct, manage, and record electronic pull-tab games, and to report and transmit the game results as prescribed by the board and the Department of Revenue. The system must provide security and access levels sufficient so that internal control objectives are met as prescribed by the board. The system must contain a point of sale station.

Sec. 20. Minnesota Statutes 2010, section 349.12, subdivision 18, is amended to read:

Subd. 18. **Gambling equipment.** "Gambling equipment" means: gambling equipment that is either disposable or permanent gambling equipment.

(a) Disposable gambling equipment includes the following:

(1) bingo hard cards or paper sheets, including linked bingo paper sheets, ~~devices for selecting bingo numbers, electronic bingo devices;~~

(2) paper and electronic pull-tabs;

(3) jar tickets, ~~paddle wheels, paddle wheel tables;~~

(4) paddle tickets, and paddle ticket cards;

(5) tipboards, and tipboard tickets; and

(6) promotional tickets that mimic a pull-tab or tipboard, ~~pull tab dispensing devices, and programmable electronic devices that have no effect on the outcome of a game and are used to provide a visual or auditory enhancement of a game.~~

(b) Permanent gambling equipment includes the following:

(1) devices for selecting bingo numbers;

(2) electronic bingo devices;

(3) electronic pull-tab devices;

(4) pull-tab dispensing devices;

(5) programmable electronic devices that have no effect on the outcome of a game and are used to provide a visual or auditory enhancement of a game;

(6) paddle wheels; and

(7) paddle wheel tables.

Sec. 21. Minnesota Statutes 2010, section 349.12, subdivision 25b, is amended to read:

Subd. 25b. **Linked bingo game provider.** "Linked bingo game provider" means any person who provides the means to link bingo prizes in a linked bingo game, ~~who provides linked bingo paper sheets to the participating organizations~~ games, who provides linked bingo prize management, and who provides the linked bingo game system.

Sec. 22. Minnesota Statutes 2010, section 349.12, subdivision 25c, is amended to read:

Subd. 25c. **Linked bingo game system.** "Linked bingo game system" means the equipment used by the linked bingo provider to conduct, transmit, and track a linked bingo game. The system must be approved by the board before its use in this state and it must have ~~dial up or other~~ the capability to permit the board to electronically monitor its operation remotely. For linked electronic bingo games, the system includes electronic bingo devices.

Sec. 23. Minnesota Statutes 2010, section 349.12, subdivision 25d, is amended to read:

Subd. 25d. **Linked bingo prize pool.** "Linked bingo prize pool" means the total of all prize money that each participating organization has contributed to a linked bingo game prize and includes any portion of the prize pool that is carried over from one ~~occasion~~ game to another in a progressive linked bingo game.

Sec. 24. Minnesota Statutes 2010, section 349.12, subdivision 29, is amended to read:

Subd. 29. **Paddle wheel.** "Paddle wheel" means a vertical wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances, and may only be used to determine a winning number or numbers matching a winning paddle ticket purchased by a player. A paddle wheel may be an electronic device that simulates a paddle wheel.

Sec. 25. Minnesota Statutes 2010, section 349.12, subdivision 31, is amended to read:

Subd. 31. **Promotional ticket.** A paper pull-tab ticket or paper tipboard ticket created and printed by a licensed manufacturer with the words "no purchase necessary" and "for promotional use only" and for which no consideration is given is a promotional ticket.

Sec. 26. Minnesota Statutes 2010, section 349.12, subdivision 32, is amended to read:

Subd. 32. **Pull-tab.** "Pull-tab" means a single folded or banded paper ticket or a multi-ply card with perforated break-open tabs, or a facsimile of a paper pull-tab ticket used in conjunction with an electronic pull-tab device, the face of which is initially covered to conceal one or more numbers or symbols, and where one or more of each set of tickets or cards, or facsimiles has been designated in advance as a winner.

Sec. 27. Minnesota Statutes 2010, section 349.12, subdivision 34, is amended to read:

Subd. 34. **Tipboard.** "Tipboard" means a board, placard or other device containing a seal that conceals the winning number or symbol, and that serves as the game flare for a tipboard game. A sports-themed tipboard is a board, placard, or other device that contains a grid of predesignated numbers for which the winning numbers are determined in whole or in part by the numerical outcome of one or more professional sporting events, serves as the game flare for player registration, but is not required to contain a seal. For a sports-themed tipboard, the winning numbers must be determined solely by the numerical outcome.

Sec. 28. Minnesota Statutes 2010, section 349.12, subdivision 35, is amended to read:

Subd. 35. **Tipboard ticket.** "Tipboard ticket" is a single folded or banded ticket, or multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners. For a sports-themed tipboard, the tipboard ticket contains a set of numbers used to determine the winner based on the numerical outcome of a professional sporting event.

Sec. 29. Minnesota Statutes 2010, section 349.13, is amended to read:

349.13 LAWFUL GAMBLING.

Lawful gambling is not a lottery or gambling within the meaning of sections 609.75 to 609.76 if it is conducted under this chapter. A pull-tab dispensing device, electronic bingo device, and electronic pull-tab device permitted under this chapter and by board rule is not a gambling device within the meaning of sections 609.75 to 609.76 and chapter 299L. An electronic game device allowed under this chapter may not be a slot machine. Electronic game devices, including but not limited to electronic bingo devices, electronic paddle wheels, and electronic pull-tab devices authorized under this chapter, may only be used in the conduct of lawful gambling permitted under this chapter and board rule and may not display or simulate any other form of gambling or entertainment, except as otherwise allowed under this chapter.

Sec. 30. Minnesota Statutes 2010, section 349.151, subdivision 4b, is amended to read:

Subd. 4b. **Pull-tab sales from dispensing devices.** ~~(a)~~ The board may by rule authorize but not require the use of pull-tab dispensing devices.

~~(b) Rules adopted under paragraph (a):~~

~~(1) must limit the number of pull-tab dispensing devices on any permitted premises to three; and~~

~~(2) must limit the use of pull-tab dispensing devices to a permitted premises which is (i) a licensed premises for on sales of intoxicating liquor or 3.2 percent malt beverages; or (ii) a premises where bingo is conducted and admission is restricted to persons 18 years or older.~~

~~(c) Notwithstanding rules adopted under paragraph (b), pull-tab dispensing devices may be used in establishments licensed for the off sale of intoxicating liquor, other than drugstores and general food stores licensed under section 340A.405, subdivision 1.~~

Sec. 31. Minnesota Statutes 2010, section 349.151, subdivision 4c, is amended to read:

Subd. 4c. **Electronic bingo devices.** (a) The board may by rule authorize but not require the use of electronic bingo devices.

~~(b) Rules adopted under paragraph (a):~~

~~(1) must limit the number of bingo faces that can be played using an electronic bingo device to 36;~~

~~(2) must require that an electronic bingo device be used with corresponding bingo paper sheets or a facsimile, printed at the point of sale, as approved by the board;~~

~~(3) must require that the electronic bingo device site system have dial-up capability to permit the board to remotely monitor the operation of the device and the internal accounting systems; and~~

~~(4) must prohibit the price of a face played on an electronic bingo device from being less than the price of a face on a bingo paper sheet sold at the same occasion.~~

(b) The board, or the director if authorized by the board, may require the deactivation of an electronic bingo device for violation of a law or rule and to implement any other controls deemed necessary to ensure and maintain the integrity of electronic bingo devices and the electronic bingo games played on the devices.

Sec. 32. Minnesota Statutes 2010, section 349.151, is amended by adding a subdivision to read:

Subd. 4d. **Electronic pull-tab devices and electronic pull-tab game system.** (a) The board may adopt rules it deems necessary to ensure the integrity of electronic pull-tab devices, the electronic pull-tab games played on the devices, and the electronic pull-tab game system necessary to operate them.

(b) The board may not require an organization to use electronic pull-tab devices.

(c) Before authorizing the lease or sale of electronic pull-tab devices and the electronic pull-tab game system, the board shall examine electronic pull-tab devices allowed under section 349.12, subdivision 12b. The board may contract for the examination of the game system and electronic pull-tab devices and may require a working model to be transported to locations the board designates for testing, examination, and analysis. The manufacturer must pay

all costs of any testing, examination, analysis, and transportation of the model. The system must be approved by the board before its use in the state and must have the capability to permit the board to electronically monitor its operation and internal accounting systems.

(d) The board may require a manufacturer to submit a certificate from an independent testing laboratory approved by the board to perform testing services, stating that the equipment has been tested, analyzed, and meets the standards required in this chapter and any applicable board rules.

(e) The board, or the director if authorized by the board, may require the deactivation of an electronic pull-tab device for violation of a law or rule and to implement any other controls deemed necessary to ensure and maintain the integrity of electronic pull-tab devices and the electronic pull-tab games played on the devices.

Sec. 33. Minnesota Statutes 2010, section 349.151, is amended by adding a subdivision to read:

Subd. 4e. **Sports-themed tipboard rules.** The board may adopt rules for the conduct of tipboards for which the winning numbers are determined in whole or in part by the numerical outcome of one or more professional sporting events. The rules must provide for operation procedures, internal control standards, posted information, records, and reports. The rules must provide for the award of prizes, method of payout, wagers, determination of winners, and the specifications of these tipboards.

Sec. 34. Minnesota Statutes 2010, section 349.155, subdivision 3, is amended to read:

Subd. 3. **Mandatory disqualifications.** (a) In the case of licenses for manufacturers, distributors, distributor salespersons, linked bingo game providers, and gambling managers, the board may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the applicant or licensee, or a director, officer, partner, governor, or person in a supervisory or management position of the applicant or licensee:

- (1) has ever been convicted of a felony or a crime involving gambling;
- (2) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (3) is or has ever been connected with or engaged in an illegal business;
- (4) owes \$500 or more in delinquent taxes as defined in section 270C.72;
- (5) had a sales and use tax permit revoked by the commissioner of revenue within the past two years; or
- (6) after demand, has not filed tax returns required by the commissioner of revenue. The board may deny or refuse to renew a license under this chapter, and may revoke a license under this chapter, if any of the conditions in this paragraph are applicable to an affiliate or direct or indirect holder of more than a five percent financial interest in the applicant or licensee.

(b) In the case of licenses for organizations, the board may not issue a license under this chapter, and shall revoke a license under this chapter, if the organization, or an officer or member of the governing body of the organization:

- (1) has been convicted of a felony or gross misdemeanor involving theft or fraud; or
- (2) has ever been convicted of a crime involving gambling; ~~or.~~

~~(3) has had a license issued by the board or director permanently revoked for violation of law or board rule.~~

Sec. 35. Minnesota Statutes 2010, section 349.155, subdivision 4, is amended to read:

Subd. 4. **License revocation, suspension, denial; censure.** (a) The board may by order (i) deny, suspend, revoke, or refuse to renew a license or premises permit, or (ii) censure a licensee or applicant, if it finds that the order is in the public interest and that the applicant or licensee, or a director, officer, partner, governor, person in a supervisory or management position of the applicant or licensee, an employee eligible to make sales on behalf of the applicant or licensee, or direct or indirect holder of more than a five percent financial interest in the applicant or licensee:

(1) has violated or failed to comply with any provision of this chapter or chapter 297E or 299L, or any rule adopted or order issued thereunder;

(2) has filed an application for a license that is incomplete in any material respect, or contains a statement that, in light of the circumstances under which it was made, is false, misleading, fraudulent, or a misrepresentation;

(3) has made a false statement in a document or report required to be submitted to the board or the commissioner of revenue, or has made a false statement to the board, the compliance review group, or the director;

(4) has been convicted of a crime in another jurisdiction that would be a felony if committed in Minnesota;

(5) is permanently or temporarily enjoined by any gambling regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

(6) has had a gambling-related license revoked or suspended, or has paid or been required to pay a monetary penalty of \$2,500 or more, by a gambling regulator in another state or jurisdiction;

(7) has been the subject of any of the following actions by the director of alcohol and gambling enforcement or commissioner of public safety: (i) had a license under chapter 299L denied, suspended, or revoked, (ii) been censured, reprimanded, has paid or been required to pay a monetary penalty or fine, or (iii) has been the subject of any other discipline by the director or commissioner;

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling; or

(9) based on past activities or criminal record poses a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.

(b) The revocation or suspension of an organization's license may not exceed a period of ten years, including any revocation or suspension imposed by the board prior to the effective date of this paragraph, except that:

(1) any prohibition placed by the board on who may be involved in the conduct, oversight, or management of the revoked organization's lawful gambling activity is permanent; and

(2) a revocation or suspension will remain in effect until any taxes, fees, and fines that are delinquent have been paid by the organization to the satisfaction of the board.

Sec. 36. Minnesota Statutes 2010, section 349.161, subdivision 1, is amended to read:

Subdivision 1. **Prohibited acts; licenses required.** (a) No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state other than for lawful gambling exempt or excluded from licensing, except to an organization licensed for lawful gambling;

(2) sell, offer for sale, or furnish gambling equipment for use within the state without having obtained a distributor license or a distributor salesperson license under this section except that an organization authorized to conduct bingo by the board may loan bingo hard cards and devices for selecting bingo numbers to another organization authorized to conduct bingo and a linked bingo game provider may provide electronic bingo devices for linked electronic bingo games;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

(b) No licensed distributor salesperson may sell, offer for sale, or furnish gambling equipment for use within the state without being employed by a licensed distributor or owning a distributor license.

(c) No distributor or distributor salesperson may also be licensed as a linked bingo game provider under section 349.1635.

Sec. 37. Minnesota Statutes 2010, section 349.161, subdivision 5, is amended to read:

Subd. 5. **Prohibition.** (a) No distributor, distributor salesperson, or other employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor, may: (1) be involved in the conduct of lawful gambling by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may provide an employee or agent of the organization any compensation, gift, gratuity, premium, or other thing of value greater than \$25 per organization in a calendar year.

(e) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased or leased from that distributor or distributor salesperson is being used in the conduct of lawful gambling.

(f) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker for a paper pull-tab game.

(g) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(h) No distributor or distributor salesperson may purchase or lease gambling equipment for resale or lease to a person for use within the state from any person not licensed as a manufacturer under section 349.163, except for gambling equipment returned from an organization licensed under section 349.16, or exempt or excluded from licensing under section 349.166.

(i) No distributor or distributor salesperson may sell gambling equipment, except gambling equipment identified as a promotional ticket, to any person for use in Minnesota other than (i) a licensed organization or organization excluded or exempt from licensing, or (ii) the governing body of an Indian tribe.

(j) No distributor or distributor salesperson may sell or otherwise provide a paper pull-tab or tipboard deal with the symbol required by section 349.163, subdivision 5, paragraph (d), visible on the flare to any person other than in Minnesota to a licensed organization or organization exempt from licensing.

Sec. 38. Minnesota Statutes 2010, section 349.162, subdivision 5, is amended to read:

Subd. 5. **Sales from facilities.** (a) All gambling equipment purchased or possessed by a licensed distributor for resale or lease to any person for use in Minnesota must, prior to the equipment's resale or lease, be unloaded into a storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the Division of Alcohol and Gambling Enforcement as a storage facility of the distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a storage facility which has been registered with the Division of Alcohol and Gambling Enforcement. No gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board or the Department of Revenue. A distributor must notify the board of the method that it will use to sell and transfer electronic pull-tab games to licensed organizations, and must receive approval of the board before implementing or making changes to the approved method.

(b) Notwithstanding section 349.163, subdivisions 5, 6, and 8, a licensed manufacturer may ship into Minnesota approved or unapproved gambling equipment if the licensed manufacturer ships the gambling equipment to a Minnesota storage facility that is: (1) owned or leased by the licensed manufacturer; and (2) registered, in advance and in writing, with the Division of Alcohol and Gambling Enforcement as a manufacturer's storage facility. No gambling equipment may be shipped into Minnesota to the manufacturer's registered storage facility unless the shipment of the gambling equipment is reported to the Department of Revenue in a manner prescribed by the department. No gambling equipment may be moved from the storage facility unless the gambling equipment is sold to a licensed distributor and is otherwise in conformity with this chapter, is shipped to an out-of-state site and the shipment is reported to the Department of Revenue in a manner prescribed by the department, or is otherwise sold and shipped as permitted by board rule. A manufacturer must notify the board of the method that it will use to sell and transfer electronic pull-tab games to licensed distributors, and must receive approval of the board before implementing or making changes to the approved method.

(c) All storage facilities owned, leased, used, or operated by a licensed distributor or manufacturer may be entered upon and inspected by the employees of the Division of Alcohol and Gambling Enforcement, the Division of Alcohol and Gambling Enforcement director's authorized representatives, employees of the Gambling Control Board or its authorized representatives, employees of the Department of Revenue, or authorized representatives of the director of the Division of Special Taxes of the Department of Revenue during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a manufacturer's or distributor's licenses and permits issued under this chapter.

(d) Unregistered gambling equipment found at any location in Minnesota other than the manufacturing plant of a licensed manufacturer or a registered storage facility are contraband under section 349.2125. This paragraph does not apply:

(1) to unregistered gambling equipment being transported in interstate commerce between locations outside this state, if the interstate shipment is verified by a bill of lading or other valid shipping document; and

(2) to gambling equipment registered with the Department of Revenue for distribution to the tribal casinos.

Sec. 39. Minnesota Statutes 2010, section 349.163, subdivision 1, is amended to read:

Subdivision 1. **License required.** No manufacturer of gambling equipment may sell any gambling equipment to any person for use or resale within the state, unless the manufacturer has a current and valid license issued by the board under this section and has satisfied other criteria prescribed by the board by rule. A manufacturer licensed under this section may also be licensed as a linked bingo game provider under section 349.1635.

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161.

Sec. 40. Minnesota Statutes 2010, section 349.163, subdivision 5, is amended to read:

Subd. 5. **Paper pull-tab and tipboard flares.** (a) A manufacturer may not ship or cause to be shipped into this state or sell for use or resale in this state any deal of paper pull-tabs or tipboards that does not have its own individual flare as required for that deal by this subdivision and rule of the board. A person other than a manufacturer may not manufacture, alter, modify, or otherwise change a flare for a deal of paper pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) The flare of each paper pull-tab and tipboard game must have affixed to or imprinted at the bottom a bar code that provides all information required by the commissioner of revenue under section 297E.04, subdivision 2.

The serial number included in the bar code must be the same as the serial number of the tickets included in the deal. A manufacturer who manufactures a deal of paper pull-tabs must affix to the outside of the box containing that game the same bar code that is affixed to or imprinted at the bottom of a flare for that deal.

(c) No person may alter the bar code that appears on the outside of a box containing a deal of paper pull-tabs and tipboards. Possession of a box containing a deal of paper pull-tabs and tipboards that has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box.

(d) The flare of each deal of paper pull-tabs and tipboards sold by a manufacturer for use or resale in Minnesota must have imprinted on it a symbol that is at least one inch high and one inch wide consisting of an outline of the geographic boundaries of Minnesota with the letters "MN" inside the outline. The flare must be placed inside the wrapping of the deal which the flare describes.

(e) Each paper pull-tab and tipboard flare must bear the following statement printed in letters large enough to be clearly legible:

"Pull-tab (or tipboard) purchasers -- This pull-tab (or tipboard) game is not legal in Minnesota unless:

-- an outline of Minnesota with letters "MN" inside it is imprinted on this sheet, and

-- the serial number imprinted on the bar code at the bottom of this sheet is the same as the serial number on the pull-tab (or tipboard) ticket you have purchased."

(f) The flare of each paper pull-tab and tipboard game must have the serial number of the game imprinted on the bar code at the bottom of the flare in numerals at least one-half inch high.

Sec. 41. Minnesota Statutes 2010, section 349.163, subdivision 6, is amended to read:

Subd. 6. **Samples of gambling equipment.** (a) The board shall require each licensed manufacturer to submit to the board one or more samples of each item of gambling equipment ~~the manufacturer manufactures~~ manufactured for use or resale in this state. For purposes of this subdivision, a manufacturer is also required to submit the applicable version of any software necessary to operate electronic devices and related systems.

(b) The board shall inspect and test all the equipment, including software and software upgrades, it deems necessary to determine the equipment's compliance with law and board rules. Samples required under this subdivision must be approved by the board before the equipment being sampled is shipped into or sold for use or resale in this state. The board shall impose a fee of \$25 for each item of gambling equipment that the manufacturer submits for approval or for which the manufacturer requests approval. The board shall impose a fee of \$100 for each sample of gambling equipment that it tests.

(c) The board may require samples of gambling equipment to be tested by an independent testing laboratory prior to submission to the board for approval. All costs of testing by an independent testing laboratory must be borne by the manufacturer. An independent testing laboratory used by a manufacturer to test samples of gambling equipment must be approved by the board before the equipment is submitted to the laboratory for testing.

(d) The board may request the assistance of the commissioner of public safety and the director of the State Lottery in performing the tests.

Sec. 42. Minnesota Statutes 2010, section 349.1635, subdivision 2, is amended to read:

Subd. 2. **License application.** The board may issue a license to a linked bingo game provider or to a manufacturer licensed under section 349.163 who meets the qualifications of this chapter and the rules promulgated by the board. The application shall be on a form prescribed by the board. The license is valid for two years and the fee for a linked bingo game provider license is \$5,000 per year.

Sec. 43. Minnesota Statutes 2010, section 349.1635, subdivision 3, is amended to read:

Subd. 3. **Attachments to application.** An applicant for a linked bingo game provider license must attach to its application:

(1) evidence of a bond in the principal amount of \$100,000 payable to the state of Minnesota conditioned on the payment of all linked bingo prizes and any other money due and payable under this chapter;

(2) detailed plans and specifications for the operation of the linked bingo game and the linked bingo system, along with a proposed fee schedule for the cost of providing services and equipment to licensed organizations which may not exceed 15 percent of gross profits, unless a higher percentage, not to exceed 20 percent, is authorized by the board. The fee schedule must incorporate costs paid to distributors for services provided under subdivision 5; and

(3) any other information required by the board by rule.

Sec. 44. Minnesota Statutes 2010, section 349.1635, is amended by adding a subdivision to read:

Subd. 5. **Linked bingo game services requirements.** (a) A linked bingo game provider must contract with licensed distributors for linked bingo game services including, but not limited to, the solicitation of agreements with licensed organizations, and installation, repair, or maintenance of the linked bingo game system.

(b) A distributor may not charge a fee to licensed organizations for services authorized and rendered under paragraph (a).

(c) A linked bingo game provider may not contract with any distributor on an exclusive basis.

(d) A linked bingo game provider may refuse to contract with a licensed distributor if the linked bingo game provider demonstrates that the licensed distributor is not capable of performing the services under the contract.

Sec. 45. Minnesota Statutes 2010, section 349.165, subdivision 2, is amended to read:

Subd. 2. **Contents of application.** An application for a premises permit must contain:

(1) the name and address of the applying organization;

(2) a description of the site for which the permit is sought, including its address and, where applicable, its placement within another premises or establishment;

(3) if the site is leased, the name and address of the lessor and information about the lease the board requires, including all rents and other charges for the use of the site. The lease term is concurrent with the term of the premises permit. The lease must contain a ~~30-day~~ termination clause. No lease is required for the conduct of a raffle; and

(4) other information the board deems necessary to carry out its purposes.

An organization holding a premises permit must notify the board in writing within ten days whenever any material change is made in the above information.

Sec. 46. Minnesota Statutes 2010, section 349.17, subdivision 6, is amended to read:

Subd. 6. **Conduct of bingo.** The price of a face played on an electronic bingo device may not be less than the price of a face on a bingo paper sheet sold for the same game at the same occasion. A game of bingo begins with the first letter and number called or displayed. Each player must cover, mark, or activate the numbers when bingo numbers are randomly selected; and announced, and or displayed to the players, either manually or with a flashboard and monitor. The game is won when a player, using bingo paper, bingo hard card, or a facsimile of a bingo paper sheet, has completed, as described in the bingo program, a previously designated pattern or previously determined requirements of the game and declared bingo. The game is completed when a winning card, sheet, or facsimile is verified and a prize awarded pursuant to subdivision 3.

Sec. 47. Minnesota Statutes 2010, section 349.17, subdivision 7, is amended to read:

Subd. 7. **Bar bingo.** An organization may conduct bar bingo subject to the following restrictions:

(1) the bingo is conducted at a site the organization owns or leases and which has a license for the sale of intoxicating beverages on the premises under chapter 340A; and

(2) the bingo is conducted using only bingo paper sheets or facsimiles of bingo paper sheets purchased from a licensed distributor or licensed linked bingo game provider; ~~and~~

~~(3) no rent may be paid for a bar bingo occasion.~~

Sec. 48. Minnesota Statutes 2010, section 349.17, subdivision 8, is amended to read:

Subd. 8. **Linked bingo games.** (a) A licensed organization may conduct or participate in ~~not more than two~~ linked bingo games ~~per occasion, one of which may be a~~, including progressive ~~game~~ games in which a portion of the prize is carried over from one ~~occasion~~ game to another until won by a player achieving a valid bingo ~~within a predetermined amount of bingo numbers called based upon a predetermined and posted win determination.~~

~~(b) Each participating licensed organization shall contribute to each prize awarded in a linked bingo game in an amount not to exceed \$300. Linked bingo games may only be conducted by licensed organizations who have a valid agreement with the linked bingo game provider.~~

(c) An electronic bingo device as defined in section 349.12, subdivision 12a, may be used for a linked bingo game.

(d) The board may adopt rules to:

(1) specify the manner in which a linked bingo game must be played and how the linked bingo prizes must be awarded;

(2) specify the records to be maintained by a linked bingo game provider;

(3) require the submission of periodic reports by the linked bingo game provider and specify the content of the reports;

(4) establish the qualifications required to be licensed as a linked bingo game provider; and

(5) any other matter involving the operation of a linked bingo game.

Sec. 49. Minnesota Statutes 2010, section 349.17, is amended by adding a subdivision to read:

Subd. 9. **Linked bingo games played exclusively on electronic bingo devices.** In addition to the requirements of subdivision 8, the following requirements and restrictions apply when linked bingo games are played exclusively on electronic bingo devices.

(a) The permitted premises must be:

(1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent malt beverages, except for a general food store or drug store permitted to sell alcoholic beverages under section 340A.405, subdivision 1; or

(2) a premises where bingo is conducted as the primary business and has a seating capacity of at least 100.

(b) The number of electronic bingo devices is limited to:

(1) no more than six devices in play for permitted premises with 200 seats or less;

(2) no more than 12 devices in play for permitted premises with 201 seats or more; and

(3) no more than 50 devices in play for permitted premises where bingo is the primary business.

Seating capacity is determined as specified under the local fire code.

(c) Prior to a bingo occasion, the linked bingo game provider, on behalf of the participating organizations, must provide to the board a bingo program in a format prescribed by the board.

(d) Before participating in the play of a linked bingo game, a player must present and register a valid picture identification card that includes the player's address and date of birth.

(e) An organization may remove from play a device that a player has not maintained in an activated mode for a specified period of time determined by the organization. The organization must provide the notice in its house rules.

Sec. 50. Minnesota Statutes 2010, section 349.1711, subdivision 1, is amended to read:

Subdivision 1. **Sale of tickets.** (a) Tipboard games must be played using only tipboard tickets that are either (1) attached to a placard and arranged in columns or rows, or (2) separate from the placard and contained in a receptacle while the game is in play. The placard serves as the game flare.

(b) Except for a sports-themed tipboard, the placard must contain a seal that conceals the winning number or symbol. When a tipboard ticket is purchased and opened from a game containing more than 32 tickets, each player having a tipboard ticket with one or more predesignated numbers or symbols must sign the placard at the line indicated by the number or symbol on the tipboard ticket.

Sec. 51. Minnesota Statutes 2010, section 349.1711, subdivision 2, is amended to read:

Subd. 2. **Determination of winners.** When the predesignated numbers or symbols have all been purchased, or all of the tipboard tickets for that game have been sold, the seal must be removed to reveal a number or symbol that determines which of the predesignated numbers or symbols is the winning number or symbol. A tipboard may also contain consolation winners, or winning chances that are determined in whole or in part by the numerical outcome of one or more professional sporting events, that need not be determined by the use of the seal.

Sec. 52. Minnesota Statutes 2010, section 349.1721, is amended to read:

349.1721 CONDUCT OF PULL-TABS.

Subdivision 1. **Cumulative or carryover games.** The board shall by rule permit pull-tab games with multiple seals. The board shall also adopt rules for pull-tab games with cumulative or carryover prizes. The rules shall also apply to electronic pull-tab games.

Subd. 2. **Event games.** The board shall by rule permit pull-tab games in which certain winners are determined by the random selection of one or more bingo numbers or by another method approved by the board. The rules shall also apply to electronic pull-tab games.

Subd. 3. **Pull-tab dispensing device location restrictions and requirements.** The following pertain to pull-tab dispensing devices as defined under section 349.12, subdivision 32a.

(a) The use of any pull-tab dispensing device must be at a permitted premises which is:

(1) a licensed premises for on-sale of intoxicating liquor or 3.2 percent malt beverages;

(2) a premises where bingo is conducted as the primary business; or

(3) an establishment licensed for the off-sale of intoxicating liquor, other than drug stores and general food stores licensed under section 340A.405, subdivision 1.

(b) The number of pull-tab dispensing devices located at any permitted premises is limited to three.

Subd. 4. **Electronic pull-tab device requirements and restrictions.** The following pertain to the use of electronic pull-tab devices as defined under section 349.12, subdivision 12b.

(a) The use of any electronic pull-tab device may only be at a permitted premises that is:

(1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent malt beverages, except for a general food store or drug store permitted to sell alcoholic beverages under section 340A.405, subdivision 1; or

(2) a premises where bingo is conducted as the primary business and has a seating capacity of at least 100; and

(3) where the licensed organization sells paper pull-tabs.

(b) The number of electronic pull-tab devices is limited to:

(1) no more than six devices in play at any permitted premises with 200 seats or less;

(2) no more than 12 devices in play at any permitted premises with 201 seats or more; and

(3) no more than 50 devices in play at any permitted premises where the primary business is bingo.

Seating capacity is determined as specified under the local fire code.

(c) The hours of operation for the devices are limited to 8:00 a.m. to 2:00 a.m.

(d) All electronic pull-tab games must be sold and played on the permitted premises and may not be linked to other permitted premises.

(e) Electronic pull-tab games may not be transferred electronically or otherwise to any other location by the licensed organization.

(f) Electronic pull-tab games may be commingled if the games are from the same family of games and manufacturer and contain the same game name, form number, type of game, ticket count, prize amounts, and prize denominations. Each commingled game must have a unique serial number.

(g) An organization may remove from play a device that a player has not maintained in an activated mode for a specified period of time determined by the organization. The organization must provide the notice in its house rules.

(h) Before participating in the play of an electronic pull-tab game, a player must present and register a valid picture identification card that includes the player's address and date of birth.

(i) Each player is limited to the use of one device at a time.

Subd. 5. **Multiple chance games.** The board may permit pull-tab games in which the holders of certain predesignated winning tickets, with a prize value not to exceed \$75 each, have the option of turning in the winning tickets for the chance to win a prize of greater value.

Sec. 53. Minnesota Statutes 2010, section 349.18, subdivision 1, is amended to read:

Subdivision 1. **Lease or ownership required; rent limitations.** (a) An organization may conduct lawful gambling only on premises it owns or leases. Leases must be on a form prescribed by the board. The term of the lease is concurrent with the premises permit. Leases approved by the board must specify that the board may authorize an organization to withhold rent from a lessor for a period of up to 90 days if the board determines that illegal gambling occurred on the premises or that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. The lease must authorize the continued tenancy of the organization without the payment of rent during the time period determined by the board under this paragraph. Copies of all leases must be made available to employees of the board and the Division of Alcohol and Gambling Enforcement on request.

(b) Rent paid by an organization for leased premises for the conduct of ~~pull tabs, tipboards, and paddle wheels~~ lawful gambling is subject to the following limits and restrictions:

(1) For booth operations, ~~including booth operations where a pull tab dispensing device is located, booth operations where a bar operation is also conducted, and booth operations where both a pull tab dispensing device is located and a bar operation is also conducted, the maximum rent is:~~ monthly rent may not exceed ten percent of gross profits for that month. Total rent paid to a lessor from all organizations from leases governed by this clause may not exceed \$1,750 per month.

~~(i) in any month where the organization's gross profit at those premises does not exceed \$4,000, up to \$400; and~~

~~(ii) in any month where the organization's gross profit at those premises exceeds \$4,000, up to \$400 plus not more than ten percent of the gross profit for that month in excess of \$4,000;~~

(2) For bar operations, ~~including bar operations where a pull tab dispensing device is located but not including bar operations subject to clause (1), and for locations where only a pull tab dispensing device is located:~~ monthly rent may not exceed:

~~(i) 15 percent of the gross profits for that month from pull-tabs sold from a pull-tab dispensing device, electronic pull-tab games, and electronic linked bingo games; and~~

~~(ii) more than 20 percent of gross profits from all other forms of lawful gambling.~~

~~(i) in any month where the organization's gross profit at those premises does not exceed \$1,000, up to \$200; and~~

~~(ii) in any month where the organization's gross profit at those premises exceeds \$1,000, up to \$200 plus not more than 20 percent of the gross profit for that month in excess of \$1,000;~~

(3) ~~a lease not governed by clauses (1) and (2) must be approved by the board before becoming effective; For electronic linked bingo games and electronic pull-tab games that are operated for separate time periods within a business day by an organization and the lessor, monthly rent may not be more than:~~

~~(i) 15 percent of the gross profits for that month for the time periods operated by the lessor. The lessor is responsible for cash shortages that occur during the time periods the games are operated by the lessor; and~~

(ii) ten percent of gross profits for that month for the time periods operated by the organization. The organization is responsible for cash shortages that occur during the time periods the games are operated by the organization.

~~(4) total rent paid to a lessor from all organizations from leases governed by clause (1) may not exceed \$1,750 per month.~~

~~(e) Rent paid by an organization for leased premises for the conduct of bingo is subject to either of the following limits at the option of the parties to the lease:~~

~~(4) (4) For bingo conducted at a leased premises where the primary business is bingo, rent is limited to either not more than ten percent of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo or at a rate based on a cost per square foot not to exceed 110 percent of a comparable cost per square foot for leased space as approved by the director; and,~~

~~(2) (5) No rent may be paid for bar bingo as defined in section 349.12, subdivision 3c.~~

(6) A lease not governed by clauses (1) to (5) must be approved by the director before becoming effective.

~~(d) (c) Amounts paid as rent under leases are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including, but not limited to, trash removal, janitorial and cleaning services, snow removal, lawn services, electricity, heat, security, security monitoring, storage, and other utilities or services, and, in the case of bar operations, cash shortages, unless approved by the director. The lessor shall be responsible for the cost of any communications network or service required to conduct electronic pull-tab games or electronic bingo games. Any other expenditure made by an organization that is related to a leased premises must be approved by the director. For bar operations, the lessor is responsible for cash shortages. An organization may not provide any compensation or thing of value to a lessor or the lessor's employees from any fund source other than its gambling account. Rent payments may not be made to an individual.~~

~~(e) (d) Notwithstanding paragraph (b), an organization may pay a lessor for food or beverages or meeting room rental if the charge made is comparable to similar charges made to other individuals or groups.~~

~~(f) No entity other than the (e) A licensed organization may not conduct any activity within a booth operation on behalf of the lessor on a leased premises.~~

Sec. 54. Minnesota Statutes 2010, section 349.19, subdivision 2, is amended to read:

Subd. 2. **Accounts.** (a) Gross receipts from lawful gambling by each organization must be segregated from all other revenues of the conducting organization and placed in a separate gambling bank account.

(b) All expenditures for allowable expenses, taxes, and lawful purposes must be made from the separate account except (1) in the case of expenditures previously approved by the organization's membership for emergencies as defined by board rule, (2) as provided in subdivision 2a, or (3) when restricted to one electronic fund transaction for the payment of taxes for the organization as a whole, the organization may transfer the amount of taxes related to the conduct of gambling to the general account at the time when due and payable.

(c) The name and address of the bank, the account number for the separate account, and the names of organization members authorized as signatories on the separate account must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made.

(d) Except for gambling receipts from electronic pull-tab games and linked electronic bingo games, gambling receipts must be deposited into the gambling bank account within four business days of completion of the bingo occasion, deal, or game from which they are received.

(1) A deal of paper pull-tabs is considered complete when either the last pull-tab of the deal is sold or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct pull-tabs.

(2) A tipboard game is considered complete when the seal on the game flare is uncovered or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct tipboards.

(e) Gambling receipts from all electronic pull-tab games and all linked electronic bingo games must be recorded on a daily basis and deposited into the gambling bank account within two business days.

~~(e)~~ (f) Deposit records must be sufficient to allow determination of deposits made from each bingo occasion, deal, or game at each permitted premises.

~~(f)~~ (g) The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Sec. 55. Minnesota Statutes 2010, section 349.19, subdivision 3, is amended to read:

Subd. 3. **Expenditures.** (a) All expenditures of gross profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment.

(b) Each licensed organization must report monthly to the board ~~on a form~~ in an electronic format prescribed by the board each expenditure or contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name of the recipient of the expenditure or contribution;

(2) the date the expenditure or contribution was approved by the organization;

(3) the date, amount, and check number or electronic transfer confirmation number of the expenditure or contribution;

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25; and

(5) in the case of expenditures authorized under section 349.12, subdivision 25, paragraph (a), clause (7), whether the expenditure is for a facility or activity that primarily benefits male or female participants.

(c) Authorization of the expenditures must be recorded in the monthly meeting minutes of the licensed organization.

(d) Checks or authorizations for electronic fund transfers for expenditures of gross profits must be signed by at least two persons authorized by board rules to sign the checks or authorizations.

(e) Expenditures of gross profits from lawful gambling for local, state, and federal taxes as identified in section 349.12, subdivision 25, paragraph (a), clause (8), may be transferred electronically from the organization's gambling account directly to bank accounts identified by local, state, or federal agencies if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, and the date of the transaction.

(f) Expenditures of gross profits from lawful gambling for payments for lawful purpose expenditures and allowable expenses may be transferred electronically from the organization's gambling account directly to bank accounts identified by the vendor if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, the account number of the account into which the funds were transferred, and the date of the transaction.

(g) Expenditures of gross profits from lawful gambling for payroll compensation to an employee's account and for the payment of local, state, and federal withholding taxes may be transferred electronically to and from the account of a payroll processing firm provided that the firm:

(1) is currently registered with and meets the criteria of the Department of Revenue as a third-party bulk filer under section 290.92, subdivision 30;

(2) is able to provide proof of a third-party audit and an annual report and statement of financial condition;

(3) is able to provide evidence of a fidelity bond; and

(4) can provide proof of having been in business as a third-party bulk filer for the most recent three years.

(h) Electronic payments of taxes, lawful purpose expenditures, and allowable expenses are permitted only if they have been authorized by the membership, the organization maintains supporting documentation, and the expenditures can be verified.

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

Sec. 56. Minnesota Statutes 2010, section 349.19, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) A licensed organization must report monthly to the Department of Revenue board in an electronic format prescribed by the board and to its membership monthly, or quarterly in the case of a licensed organization which does not report more than \$1,000 in gross receipts from lawful gambling in any calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling for each permitted premises. The organization must account for and report on each form of lawful gambling conducted. The report organization must include a reconciliation of the organization's profit carryover with its cash balance on hand. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately.

(b) The organization must report ~~annually to its membership and annually file with the board a financial summary report in a format prescribed by the board that identifies the organization's receipts and use of lawful gambling proceeds, including:~~ monthly to the commissioner of revenue as required under section 297E.06.

~~(1) gross receipts;~~

~~(2) prizes paid;~~

~~(3) allowable expenses;~~

~~(4) lawful purpose expenditures, including annual totals for types of charitable contributions and all taxes and fees as per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18);~~

~~(5) the percentage of annual gross profits used for charitable contributions; and~~

~~(6) the percentage of annual gross profits used for all taxes and fees as per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18).~~

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

Sec. 57. Minnesota Statutes 2010, section 349.19, subdivision 10, is amended to read:

Subd. 10. **Pull-tab records.** (a) The board shall by rule require a licensed organization to require each winner of a paper pull-tab prize of \$50 or more to present identification in the form of a driver's license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracking of the winner. The rule must require the organization to retain winning paper pull-tabs of \$50 or more, and the identification of the winner of the pull-tab, for 3-1/2 years.

(b) An organization must maintain separate cash banks for each deal of paper pull-tabs unless (1) the licensed organization uses a pull-tab dispensing device, or (2) the organization uses a cash register, of a type approved by the board, which records all sales of paper pull-tabs by separate deals.

(c) The board shall:

(1) by rule adopt minimum technical standards for cash registers that may be used by organizations, and shall approve for use by organizations any cash register that meets the standards; and

(2) before allowing an organization to use a cash register that commingles receipts from several different paper pull-tab games in play, adopt rules that define how cash registers may be used and that establish a procedure for organizations to reconcile all pull-tab games in play at the end of each month.

Sec. 58. Minnesota Statutes 2010, section 349.211, subdivision 1a, is amended to read:

Subd. 1a. **Linked bingo prizes.** Prizes for a linked bingo game shall be limited as follows:

~~(1) no organization may contribute more than \$300 per linked bingo game to a linked bingo prize pool for linked bingo games played without electronic bingo devices, an organization may not contribute to a linked bingo game prize pool more than \$300 per linked bingo game per site;~~

~~(2) for linked bingo games played exclusively with electronic bingo devices, an organization may not contribute more than 85 percent of the gross receipts per permitted premises to a linked bingo game prize pool;~~

~~(2) (3) no organization may award more than \$200 for a linked bingo game consolation prize. For purposes of this subdivision, a linked bingo game consolation prize is a prize awarded by an organization after a prize from the linked bingo prize pool has been won; and~~

~~(3) (4) for a progressive linked bingo game, if no player declares a valid bingo within the for a progressive prize or prizes based on a predetermined amount of bingo numbers called and posted win determination, a portion of the prize is gross receipts may be carried over to another occasion game until the accumulated progressive prize is won. The portion of the prize that is not carried over must be awarded to the first player or players who declares a valid bingo as additional numbers are called. If a valid bingo is declared within the predetermined amount of bingo~~

~~numbers called, the entire prize pool for that game is awarded to the winner. The annual limit for progressive bingo game prizes contained in subdivision 2 must be reduced by the amount an organization contributes to progressive linked bingo games during the same calendar year; and~~

(5) for linked bingo games played exclusively with electronic bingo devices, linked bingo prizes in excess of \$599 shall be paid by the linked bingo game provider to the player within three business days. Winners of linked bingo prizes in excess of \$599 will be given a receipt or claim voucher as proof of a win.

Sec. 59. Minnesota Statutes 2010, section 349.211, subdivision 2c, is amended to read:

Subd. 2c. **Tipboard prizes.** (a) The maximum prize which may be awarded for a tipboard ticket is \$599 for \$2 and under tipboard tickets, \$899 for \$3 tipboard tickets, \$1,199 for \$4 tipboard tickets, and \$1,499 for \$5 tipboard tickets, not including any cumulative or carryover prizes. Cumulative or carryover prizes in tipboard games shall not exceed \$2,500. An organization may not sell any tipboard ticket for more than \$5.

(b) For sports-themed tipboards, the total prize payout may not exceed the amount in section 349.2113, and each chance or ticket may not be sold for more than \$10.

Sec. 60. **APPROPRIATION.**

\$880,000 in fiscal year 2013 is appropriated from the lawful gambling regulation account in the special revenue fund to the Gambling Control Board for operating expenses related to the regulatory oversight of lawful gambling for electronic pull-tabs and electronic linked bingo.

Sec. 61. **REPEALER.**

Minnesota Statutes 2010, section 297E.02, subdivision 4, is repealed.

EFFECTIVE DATE. This section is effective for games sold after July 1, 2012.

Sec. 62. **EFFECTIVE DATE.**

Unless otherwise specifically provided, this act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to gambling; modifying certain rates of tax on lawful gambling; providing for electronic linked bingo games, electronic pull-tab games, and sports-themed tipboard games; making clarifying, conforming, and technical changes; appropriating money; amending Minnesota Statutes 2010, sections 297E.01, subdivisions 7, 8, 9; 297E.02, subdivisions 1, 3, 6, 7, 10, 11, by adding a subdivision; 297E.13, subdivision 5; 349.12, subdivisions 3b, 3c, 5, 6a, 12a, 18, 25b, 25c, 25d, 29, 31, 32, 34, 35, by adding subdivisions; 349.13; 349.151, subdivisions 4b, 4c, by adding subdivisions; 349.155, subdivisions 3, 4; 349.161, subdivisions 1, 5; 349.162, subdivision 5; 349.163, subdivisions 1, 5, 6; 349.1635, subdivisions 2, 3, by adding a subdivision; 349.165, subdivision 2; 349.17, subdivisions 6, 7, 8, by adding a subdivision; 349.1711, subdivisions 1, 2; 349.1721; 349.18, subdivision 1; 349.19, subdivisions 2, 3, 5, 10; 349.211, subdivisions 1a, 2c; repealing Minnesota Statutes 2010, section 297E.02, subdivision 4."

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

The report was adopted.

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

H. F. No. 2065, A bill for an act relating to higher education; clarifying the authority of the MnSCU system to continue operations during a budget impasse; increasing revenue bond debt ceiling for Board of Trustees of the Minnesota State Colleges and Universities; providing an exemption from state regulation of certain schools; requiring disclosure of certain course material and course information; establishing a MnSCU textbook task force; requiring an expanded waiver for mandatory health care coverage; authorizing a safety officer survivor education benefit for graduate study; modifying definition of contingent account owner for purposes of the college savings plan; directing a portion of the permanent university fund for a mining engineering program; modifying membership of the Student Advisory Council; modifying definition of student for purposes of the statement of immunization; modifying liquor license requirements for intercollegiate stadium operated by the University of Minnesota; providing funding for Hennepin County Medical Center graduate family medicine education programs; prohibiting fees related to the teacher performance assessment test; amending Minnesota Statutes 2010, sections 135A.14, subdivision 1; 135A.25, subdivision 5; 136A.031, subdivision 3; 136F.58, subdivision 3, by adding a subdivision; 136F.71, subdivision 3, by adding a subdivision; 136F.98, subdivision 1; 136G.03, subdivision 7; 137.022, subdivision 4; 141.35; 299A.45, subdivisions 1, 2; 340A.404, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the following amendments:

Page 1, line 31, after the comma, insert "health sharing organizations,"

Page 2, line 19, after "persons" insert "who are only"

Page 2, line 20, after "evening" insert "or weekend"

Page 4, delete section 8

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "increasing"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2810, A bill for an act relating to stadiums; providing for a new National Football League Stadium in Minnesota; establishing a Minnesota Stadium Authority; abolishing the Metropolitan Sports Facilities Commission; providing for use of certain local tax revenue; authorizing electronic pull-tabs and bingo; authorizing the sale and issuance of state appropriation bonds; appropriating money; amending Minnesota Statutes 2010, sections 3.971, subdivision 6; 3.9741, by adding a subdivision; 13.55, subdivision 1; 297A.71, by adding subdivisions; 297A.75, as

amended; 349.12, subdivisions 3b, 3c, 5, 6a, 12a, 18, 25b, 25c, 25d, 29, 31, 32, by adding subdivisions; 349.13; 349.151, subdivisions 4b, 4c, by adding a subdivision; 349.161, subdivisions 1, 5; 349.162, subdivision 5; 349.163, subdivisions 1, 5, 6; 349.1635, subdivisions 2, 3, by adding a subdivision; 349.17, subdivisions 6, 7, 8, by adding a subdivision; 349.1721; 349.18, subdivision 1; 349.19, subdivisions 2, 3, 5, 10; 349.211, subdivision 1a; 352.01, subdivision 2a; 473.121, subdivision 5a; 473.164; 473.565, subdivision 1; Minnesota Statutes 2011 Supplement, sections 10A.01, subdivision 35; 340A.404, subdivision 1; Laws 1986, chapter 396, sections 4, as amended; 5, as amended; proposing coding for new law in Minnesota Statutes, chapters 16A; 297A; proposing coding for new law as Minnesota Statutes, chapter 473J; repealing Minnesota Statutes 2010, sections 473.551; 473.552; 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 473.556, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17; 473.561; 473.564, subdivisions 2, 3; 473.572; 473.581; 473.592, subdivision 1; 473.595; 473.598; 473.599; 473.76.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
MINNESOTA STADIUM AUTHORITY

Section 1. Minnesota Statutes 2010, section 3.971, subdivision 6, is amended to read:

Subd. 6. **Financial audits.** The legislative auditor shall audit the financial statements of the state of Minnesota required by section 16A.50 and, as resources permit, shall audit Minnesota State Colleges and Universities, the University of Minnesota, state agencies, departments, boards, commissions, courts, and other state organizations subject to audit by the legislative auditor, including the State Agricultural Society, Agricultural Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco, Metropolitan Sports Facilities Commission, Minnesota Stadium Authority, Metropolitan Airports Commission, and Metropolitan Mosquito Control District. Financial audits must be conducted according to generally accepted government auditing standards. The legislative auditor shall see that all provisions of law respecting the appropriate and economic use of public funds are complied with and may, as part of a financial audit or separately, investigate allegations of noncompliance.

Sec. 2. Minnesota Statutes 2010, section 3.9741, is amended by adding a subdivision to read:

Subd. 4. **Minnesota Stadium Authority.** Upon the audit of the financial accounts and affairs of the Minnesota Stadium Authority, the authority is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill the authority either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund.

Sec. 3. Minnesota Statutes 2011 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. **Public official.** "Public official" means any:

(1) member of the legislature;

(2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, or attorney in the Office of Senate Counsel and Research or House Research;

(3) constitutional officer in the executive branch and the officer's chief administrative deputy;

- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;
- (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or unemployment law judge in the Department of Employment and Economic Development;
- (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
- (15) member or executive director of the Higher Education Facilities Authority;
- (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- (17) member of the board of directors or executive director of the Minnesota State High School League;
- (18) member of the Minnesota Ballpark Authority established in section 473.755;
- (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- (20) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;
- (21) supervisor of a soil and water conservation district;
- (22) director of Explore Minnesota Tourism;
- (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056; ~~or~~
- (24) ~~a~~ citizen member of the Clean Water Council established in section 114D.30; or
- (25) member or chief executive of the Minnesota Stadium Authority established in section 473J.07.

Sec. 4. Minnesota Statutes 2010, section 297A.71, is amended by adding a subdivision to read:

Subd. 43. **Building materials; football stadium.** Materials and supplies used or consumed in, and equipment incorporated into, the construction or improvement of the football stadium and stadium infrastructure as defined in section 473J.03, subdivisions 7 and 9, are exempt. This subdivision expires one year after the date that the first National Football League game is played in the stadium for materials, supplies, and equipment used in the construction and equipping of the stadium, and five years after the issuance of the first bonds under article 2 for materials, supplies, and equipment used in the stadium infrastructure.

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

Sec. 5. Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

- (1) hotels;
- (2) restaurants;
- (3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may permit the general public to participate in a wine tasting conducted at the club under section 340A.419;

(5) sports facilities, restaurants, clubs, or bars located on land owned or leased by the Minnesota Stadium Authority;

~~(5)~~ (6) sports facilities located on land owned by the Metropolitan Sports Commission; and

~~(6)~~ (7) exclusive liquor stores.

(b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the theater.

(c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a convention center within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the convention center. This paragraph does not apply to convention centers located in the seven-county metropolitan area.

(d) A city may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a summer collegiate league baseball team, or to a person holding a concessions or management contract with the owner, for beverage sales at a ballpark or stadium located within the city for the purposes of summer collegiate league baseball games at the ballpark or stadium, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending baseball games at the ballpark or stadium.

Sec. 6. Minnesota Statutes 2010, section 352.01, subdivision 2a, is amended to read:

Subd. 2a. **Included employees.** (a) "State employee" includes:

- (1) employees of the Minnesota Historical Society;
- (2) employees of the State Horticultural Society;
- (3) employees of the Minnesota Crop Improvement Association;
- (4) employees of the adjutant general whose salaries are paid from federal funds and who are not covered by any federal civilian employees retirement system;
- (5) employees of the Minnesota State Colleges and Universities who are employed under the university or college activities program;
- (6) currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in subdivision 2b, clause (8);
- (7) employees of the legislature who are appointed without a limit on the duration of their employment and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to conduct a special inquiry, investigation, examination, or installation;
- (8) trainees who are employed on a full-time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period;
- (9) employees of the Minnesota Safety Council;
- (10) any employees who are on authorized leave of absence from the Transit Operating Division of the former Metropolitan Transit Commission and who are employed by the labor organization which is the exclusive bargaining agent representing employees of the Transit Operating Division;
- (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space Commission, Metropolitan Sports Facilities Commission, or Metropolitan Mosquito Control Commission unless excluded under subdivision 2b or are covered by another public pension fund or plan under section 473.415, subdivision 3;
- (12) judges of the Tax Court;
- (13) personnel who were employed on June 30, 1992, by the University of Minnesota in the management, operation, or maintenance of its heating plant facilities, whose employment transfers to an employer assuming operation of the heating plant facilities, so long as the person is employed at the University of Minnesota heating plant by that employer or by its successor organization;
- (14) personnel who are employed as seasonal employees in the classified or unclassified service;
- (15) persons who are employed by the Department of Commerce as a peace officer in the Insurance Fraud Prevention Division under section 45.0135 who have attained the mandatory retirement age specified in section 43A.34, subdivision 4;
- (16) employees of the University of Minnesota unless excluded under subdivision 2b, clause (3);

(17) employees of the Middle Management Association whose employment began after July 1, 2007, and to whom section 352.029 does not apply; ~~and~~

(18) employees of the Minnesota Government Engineers Council to whom section 352.029 does not apply; and

(19) employees of the Minnesota Stadium Authority.

(b) Employees specified in paragraph (a), clause (13), are included employees under paragraph (a) if employer and employee contributions are made in a timely manner in the amounts required by section 352.04. Employee contributions must be deducted from salary. Employer contributions are the sole obligation of the employer assuming operation of the University of Minnesota heating plant facilities or any successor organizations to that employer.

Sec. 7. **[473J.01] PURPOSE.**

The purpose of this chapter is to provide for the construction, financing, and long-term use of a stadium and related stadium infrastructure as a venue for professional football and a broad range of other civic, community, athletic, educational, cultural, and commercial activities. The legislature finds and declares that the expenditure of public money for this purpose is necessary and serves a public purpose, and that property acquired by the Minnesota Stadium Authority for the construction of the stadium and related stadium infrastructure is acquired for a public use or public purpose under chapter 117. The legislature further finds and declares that any provision in a lease or use agreement with a professional football team that requires the team to play all of its home games in a publicly funded stadium for the duration of the lease or use agreement, with the occasional exception of a game played elsewhere as set forth in such agreement, serves a unique public purpose for which the remedies of specific performance and injunctive relief are essential to its enforcement. The legislature further finds and declares that government assistance to facilitate the presence of professional football provides to the state of Minnesota and its citizens highly valued intangible benefits that are virtually impossible to quantify and, therefore, not recoverable even if the government receives monetary damages in the event of a team's breach of contract. Minnesota courts are, therefore, charged with protecting those benefits through the use of specific performance and injunctive relief as provided in this chapter and in the lease and use agreements.

Sec. 8. **[473J.03] DEFINITIONS.**

Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in this section have the meanings given them, except as otherwise expressly provided or indicated by the context.

Subd. 2. **Annual adjustment factor.** "Annual adjustment factor" means the annual adjustment factor under section 297A.994, subdivision 4, paragraph (b).

Subd. 3. **Authority.** "Authority" means the Minnesota Stadium Authority established under section 473J.07.

Subd. 4. **City.** "City" means the city of Minneapolis.

Subd. 5. **NFL.** The "NFL" means the National Football League.

Subd. 6. **NFL team.** "NFL team" means the owner and operator of the NFL professional football team known, as of the effective date of this chapter, as the Minnesota Vikings or any team owned and operated by someone who purchases or otherwise takes ownership or control of or reconstitutes the NFL team known as the Minnesota Vikings.

Subd. 7. **Stadium.** "Stadium" means the stadium suitable for professional football to be designed, constructed, and financed under this chapter. A stadium must have a roof that covers the stadium, as set forth in section 473J.11, subdivision 3.

Subd. 8. **Stadium costs.** "Stadium costs" means the costs of acquiring land, the costs of stadium infrastructure, and of designing, constructing, equipping, and financing a stadium suitable for professional football.

Subd. 9. **Stadium infrastructure.** "Stadium infrastructure" means plazas, parking structures, rights of way, connectors, skyways and tunnels, and other such property, facilities, and improvements, owned by the authority or determined by the authority to facilitate the use and development of the stadium.

Subd. 10. **Stadium site.** "Stadium site" means all or portions of the current site of the existing football stadium and adjacent areas, bounded generally by Park and Eleventh Avenues and Third and Sixth Streets in the city of Minneapolis, the definitive boundaries of which shall be determined by the authority and agreed to by the NFL team.

Sec. 9. **[473J.07] MINNESOTA STADIUM AUTHORITY.**

Subdivision 1. **Established.** The Minnesota Stadium Authority is established as a public body, corporate and politic, and political subdivision of the state. The authority is not a joint powers entity or an agency or instrumentality of the city.

Subd. 2. **Membership.** (a) The authority shall consist of five members.

(b) The chair and two members shall be appointed by the governor. One member appointed by the governor shall serve until December 31 of the third year following appointment and one member shall serve until December 31 of the fourth year following appointment. Thereafter, members appointed by the governor shall serve four-year terms, beginning January 1. Each member serves until a successor is appointed and takes office. The chair serves at the pleasure of the governor.

(c) The mayor of the city shall appoint two members to the authority. One member appointed by the mayor of the city shall serve until December 31 of the third year following appointment and one member shall serve until December 31 of the fourth year following appointment. Thereafter, members appointed under this paragraph shall serve four-year terms beginning January 1. Each member serves until a successor is appointed and takes office. Members appointed under this paragraph may reside within the city and may be appointed officials of a political subdivision.

(d) The initial members of the authority must be appointed not later than 30 days after the date of enactment of this chapter.

Subd. 3. **Compensation.** The authority may compensate its members, other than the chair, as provided in section 15.0575. The chair shall receive, unless otherwise provided by other law, a salary in an amount fixed by the authority, and shall be reimbursed for reasonable expenses to the same extent as a member.

Subd. 4. **Chair.** The chair presides at all meetings of the authority, if present, and performs all other assigned duties and functions. The authority may appoint from among its members a vice-chair to act for the chair during the temporary absence or disability of the chair, and any other officers the authority determines are necessary or convenient.

Subd. 5. **Removal.** A member, other than the chair, may be removed by the appointing authority only for misfeasance, malfeasance, or nonfeasance in office, upon written charges, and after an opportunity to be heard in defense of the charges.

Subd. 6. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure, the powers and duties of its officers, and other matters relating to the governance of the authority and the exercise of its powers. Except as provided in this section, the bylaws adopted under this subdivision must be similar in form and substance to bylaws adopted by the Minnesota Ballpark Authority pursuant to section 473.755.

Subd. 7. **Audit.** The legislative auditor shall audit the books and accounts of the authority once each year or as often as the legislative auditor's funds and personnel permit. The authority shall pay the total cost of the audit pursuant to section 3.9741.

Subd. 8. **Executive director; employees.** The authority may appoint an executive director to serve as the chief executive officer of the authority. The executive director serves at the pleasure of the authority and receives compensation as determined by the authority. The executive director may be responsible for the operation, management, and promotion of activities of the authority, as prescribed by the authority. The executive director has the powers necessarily incident to the performance of duties required and powers granted by the authority, but does not have authority to incur liability or make expenditures on behalf of the authority without general or specific directions by the authority, as shown by the bylaws or minutes of a meeting of the authority. The executive director is responsible for hiring, supervision, and dismissal of all other employees of the authority.

Subd. 9. **Web site.** The authority shall establish a Web site for purposes of providing information to the public concerning all actions taken by the authority. At a minimum, the Web site must contain a current version of the authority's bylaws, notices of upcoming meetings, minutes of the authority's meetings, and contact telephone, electronic mail, and facsimile numbers for public comments.

Subd. 10. **Quorum; approvals.** Any three members shall constitute a quorum for the conduct of business and action may be taken upon the vote of a majority of members present at a meeting duly called and held. During the design and construction stages of the stadium, a four-fifths vote of the authority is required for authority decisions related to zoning, land use, exterior design of the stadium, related parking, the plaza area, and the selection of the authority's lead representative during design and construction.

Sec. 10. **[473J.08] LOCATION.**

The stadium to be constructed under this chapter shall be located at the stadium site in the city of Minneapolis.

Sec. 11. **[473J.09] POWERS, DUTIES OF THE AUTHORITY.**

Subdivision 1. **Actions.** The authority may sue and be sued. The authority is a public body and the stadium and stadium infrastructure are public improvements within the meaning of chapter 562. The authority is a municipality within the meaning of chapter 466.

Subd. 2. **Acquisition of property.** The authority may acquire from any public or private entity by lease, purchase, gift, or devise all necessary right, title, and interest in and to real property, air rights, and personal property deemed necessary to the purposes contemplated by this chapter. The authority may acquire, by the exercise of condemnation powers under chapter 117, land, other real property, air rights, personal property, and other right, title, and interest in property, within the stadium site and stadium infrastructure.

Subd. 3. **Disposition of property.** The authority may sell, lease, or otherwise dispose of any real or personal property acquired by the authority that is no longer required for accomplishment of the authority's purposes. The property may be sold in accordance with the procedures provided by section 469.065, except subdivisions 6 and 7, to the extent the authority deems it to be practical and consistent with this chapter. Title to the stadium must not be transferred or sold by the authority prior to the effective date of enactment of any legislation approving such transfer or sale.

Subd. 4. **Data practices; open meetings.** Except as otherwise provided in this chapter, the authority is subject to chapters 13 and 13D.

Subd. 5. **Facility operation.** The authority may develop, construct, equip, improve, own, operate, manage, maintain, finance, and control the stadium, stadium infrastructure, and related facilities constructed or acquired under this chapter, or may delegate such duties through an agreement, subject to the rights and obligations transferred to and assumed by the authority, the NFL team, other user, third-party manager, or program manager, under the terms of a lease, use agreement, or development agreement.

Subd. 6. **Employees; contracts for services.** The authority may employ persons and contract for services necessary to carry out its functions, including the utilization of employees and consultants retained by other governmental entities. The authority shall enter into an agreement with the city regarding traffic control for the stadium.

Subd. 7. **Gifts, grants, loans.** The authority may accept monetary contributions, property, services, and grants or loans of money or other property from the United States, the state, any subdivision of the state, any agency of those entities, or any person for any of its purposes, and may enter into any agreement required in connection with the gifts, grants, or loans. The authority shall hold, use, and dispose of the money, property, or services according to the terms of the monetary contributions, grant, loan, or agreement.

Subd. 8. **Use agreements.** The authority may lease, license, or enter into use agreements and may fix, alter, charge, and collect rents, fees, and charges for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial, or other entertainment, instruction, or activity for the citizens of Minnesota and visitors. The use agreements may provide that the other contracting party has exclusive use of the premises at the times agreed upon, as well as the right to retain some or all revenues from ticket sales, suite licenses, concessions, advertising, naming rights, NFL team designated broadcast/media, club seats, signage, and other revenues derived from the stadium. The lease or use agreement with an NFL team must provide for the payment by the NFL team of an agreed-upon portion of operating and maintenance costs and expenses and provide other terms in which the authority and NFL team agree. In no case may a lease or use agreement permit smoking in the stadium.

Subd. 9. **Research.** The authority may conduct research studies and programs; collect and analyze data; prepare reports, maps, charts, and tables; and conduct all necessary hearings and investigations in connection with its functions.

Subd. 10. **Insurance.** The authority may require any employee to obtain and file with the authority an individual bond or fidelity insurance policy. The authority may procure insurance in the amounts the authority considers necessary against liability of the authority or its officers and employees for personal injury or death and property damage or destruction, consistent with chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 11. **Exemption from Metropolitan Council review; Business Subsidy Act.** The acquisition and betterment of a stadium and stadium infrastructure by the authority must be conducted pursuant to this chapter and are not subject to sections 473.165 and 473.173. Section 116J.994 does not apply to any transactions of the authority or other governmental entity related to the stadium or stadium infrastructure or to any tenant or other users of the stadium or stadium infrastructure. The Metropolitan Council shall waive any sewer access charges or similar fees and charges customarily imposed attributable to the design and construction of the stadium and stadium infrastructure.

Subd. 12. **Incidental powers.** In addition to the powers expressly granted in this chapter, the authority has all powers necessary or incidental thereto.

Subd. 13. **Transfers to the authority.** In addition to any other payments required under this act, for operating years 2016 to 2020, the NFL team shall annually transfer to the authority amounts equal to the city of Minneapolis share of operating costs and capital reserves. These amounts shall be repaid to the NFL team by the state on behalf of the city of Minneapolis through a repayment schedule to be specified in law, and agreed to in all subsequent agreements between the city and the NFL team.

Sec. 12. **[473J.11] STADIUM DESIGN AND CONSTRUCTION.**

Subdivision 1. **Contracts.** (a) The design, development, and construction of the stadium shall be a collaborative process between the authority and the NFL team. The authority and the NFL team shall establish a process to reach consensus on key elements of the stadium program and design, development, and construction.

(b) Unless the authority and the NFL team agree otherwise:

(1) the authority shall create a stadium design and construction group, including representatives of the authority and the NFL team, to manage the design of the stadium and oversee construction;

(2) this group shall engage an owner's representative to act on behalf of the group. The cost of the owner's representative shall be a stadium cost; and

(3) the authority and the NFL team shall enter into a development administration agreement providing for rights and responsibilities of the authority and the NFL team, the design and construction group, and the owner's representative for design and construction of the stadium, including but not limited to establishment of minimum design standards. This development administration agreement shall provide for binding arbitration in the event that the authority and the NFL team are unable to agree on minimum design standards or other material aspects of the design.

(c) The authority may enter into an agreement with the NFL team and any other entity relating to the design, construction, financing, operation, maintenance, and use of the stadium and related facilities and stadium infrastructure. The authority may contract for materials, supplies, and equipment in accordance with section 471.345, except that the authority may employ or contract with persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, construction manager, or program manager with respect to all or any part of the design, construction, financing, operation, maintenance, and use of the stadium and stadium infrastructure under the traditional separate design and build, integrated design-build, construction manager at risk, or public/private partnership (P3) structures, or a combination thereof.

(d) The authority and the NFL team shall prepare a request for proposals for one or more of the functions described in paragraph (c). The request must be published in the State Register and shall include, at a minimum, such requirements that are agreed to by the authority and the NFL team. The authority and the NFL team may prequalify offerors by issuing a request for qualifications, in advance of the request for proposals, and select a short list of responsible offerors prior to discussions and evaluations.

(e) As provided in the request for proposals, the authority, and the NFL team, may conduct discussions and negotiations with responsible offerors in order to determine which proposal is most advantageous to the authority and the NFL team and to negotiate the terms of an agreement. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors and the content of all proposals is nonpublic data under chapter 13 until such time as a notice to award a contract is given by the authority. The agreement shall be subject to the approval of the NFL team.

(f) Prior to the time the authority enters into a construction contract with a construction manager or program manager certifying a maximum price and a completion date as provided in paragraph (h), at the request of the NFL team, the authority may authorize, such authorization not to be unreasonably withheld or delayed, the NFL team to

provide for management of the construction of the stadium and related stadium infrastructure, in which event the NFL team must assume the role and responsibilities of the authority for completion of construction in a manner consistent with the agreed minimum design standards and design documents, subject to the terms of this act, including responsibility for cost overruns.

(g) The construction manager or program manager may enter into contracts with contractors for labor, materials, supplies, and equipment for the construction of the stadium and related stadium infrastructure through the process of public bidding, except that the construction manager or program manager may, with the consent of the authority or the NFL team if the NFL team has assumed responsibility for construction:

(1) narrow the listing of eligible bidders to those which the construction manager or program manager determines to possess sufficient expertise to perform the intended functions;

(2) award contracts to the contractors that the construction manager or program manager determines provide the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraphs (a), clause (2), and (c), which are not required to be the lowest responsible bidder; and

(3) for work the construction manager or program manager determines to be critical to the completion schedule, award contracts on the basis of competitive proposals, or perform work with its own forces without soliciting competitive bids if the construction manager or program manager provides evidence of competitive pricing.

(h) The authority and the NFL team shall require that the construction manager or program manager certify, before the contract is signed, a fixed and stipulated construction price and completion date to the authority and post a performance bond in an amount at least equal to 100 percent of the certified price or such other security satisfactory to the authority, to cover any costs which may be incurred in excess of the certified price including, but not limited to, costs incurred by the authority or loss of revenues resulting from incomplete construction on the completion date. The authority may secure surety bonds as provided in section 574.26, securing payment of just claims in connection with all public work undertaken by the authority. Persons entitled to the protection of the bonds may enforce them as provided in sections 574.28 to 574.32 and are not entitled to a lien on any property of the authority under the provisions of sections 514.01 to 514.16. The construction of the stadium is a project as that term is defined in section 177.42, subdivision 2, and is subject to the prevailing wage law under sections 177.41 to 177.43.

Subd. 2. **Changes.** Unless otherwise agreed to by the authority and the NFL team, if either party requests an agreed upon change in minimum design standards, and this change is responsible for requiring the project to exceed the stated budget, the requesting party is liable for any cost overruns or associated liabilities.

Subd. 3. **Stadium design.** The stadium and stadium infrastructure shall be designed and constructed incorporating the following general program and design elements:

(1) Unless otherwise agreed to by the authority and the NFL team, the stadium shall comprise approximately 1,500,000 square feet with approximately 65,000 seats, expandable to 72,000, shall meet or exceed NFL program requirements, and include approximately 150 suites and approximately 7,500 club seats or other such components as agreed to by the authority and the NFL team;

(2) space for NFL team-related exhibitions and sales, which shall include the following: NFL team museum and Hall of Fame, retail merchandise and gift shop retail venues, and themed concessions and restaurants;

(3) year-round space for the NFL team administrative operations, sales, and marketing, including a ticket office, team meeting space, locker, and training rooms;

(4) space for administrative offices of the authority;

(5) 2,000 parking spaces within one block of the stadium, connected by skyway or tunnel to the stadium, and 500 parking spaces within two blocks of the stadium, with a dedicated walkway on game days;

(6) elements sufficient to provide community and civic uses as determined by the authority; and

(7) a roof that is fixed or retractable, provided that if the roof is retractable, it is accomplished without any increase to the funding provided by the state or the city.

Subd. 4. **Cost overruns, savings.** The authority may accept financial obligations relating to cost overruns associated with acquisition of the stadium site, stadium infrastructure, and stadium design, development, and construction, provided that the authority shall not accept responsibility for cost overruns and shall not be responsible for cost overruns if the authority has authorized the NFL team to provide for management of construction of the stadium under section 473J.11, subdivision 1. Cost savings or additional funds obtained by the authority or the NFL team for the stadium or stadium infrastructure may be used first to fund additional stadium or stadium infrastructure, as agreed to by the authority and the NFL team, if any, and then to fund capital reserves.

Sec. 13. **[473J.112] COMMEMORATIVE BRICKS.**

The authority shall sell commemorative bricks to be displayed at a prominent location in the new stadium, for an amount to be determined by the authority. The authority shall work with the commissioner to ensure that purchase of a brick is a tax deductible donation on the part of the donating person or organization. Funds raised through this section shall be appropriated to the commissioner of management and budget for a grant to the Minnesota Stadium Authority.

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

Sec. 14. **[473J.12] EMPLOYMENT.**

Subdivision 1. **Hiring and recruitment.** In the design, development, construction, management, operation, maintenance and capital repair, replacement and improvement of the stadium and stadium infrastructure, the authority shall make every effort to employ, and cause the NFL team, the construction manager and other subcontractors, vendors, and concessionaires to employ women and members of minority communities when hiring. Further, goals for construction contracts to be awarded to women- and minority-owned businesses will be in a percentage at least equal to the minimum used for city of Minneapolis development projects, and the other construction workforce will establish workforce utilization goals at least equal to current city goals and include workers from city zip codes that have high rates of poverty and unemployment.

Subd. 2. **Other required agreements.** The NFL team or the authority shall give food, beverage, retail, and concession workers presently employed by the NFL team or the Metropolitan Sports Facilities Commission or its vendors at the existing football stadium the opportunity to continue their employment in comparable positions at the new stadium. Workers who are presently represented under a collective bargaining agreement may seek to continue such representation in the facility and designate such, or another collective bargaining unit, as their representative.

Sec. 15. **[473J.13] STADIUM OPERATIONS; CAPITAL IMPROVEMENTS.**

Subdivision 1. **Stadium operation.** The stadium shall be operated in a first-class manner, similar to and consistent with other comparable NFL stadiums, such as the stadium currently known as Lucas Oil Field. The authority and the team will mutually agree on a third-party management company or individual to manage the stadium and on certain major vendors to the stadium. The authority, with the approval of the NFL team, may enter into an agreement with a program manager for management of the stadium, for a maximum of 30 years.

Subd. 2. **Operating expenses.** (a) The authority must pay or cause to be paid all operating expenses of the stadium. The authority must require in the lease or use agreement with the NFL team that the NFL team pay the authority, beginning January 1, 2016, or other date as mutually agreed upon by the parties, toward operating costs of the stadium, \$8,500,000 each year, increased by a three percent annual inflation rate.

(b) Beginning January 1, 2016, or other date as mutually agreed upon by the parties, and continuing through 2020, the NFL team shall pay the authority operating expenses, \$6,000,000 each year, increased by an annual adjustment factor. The payment of \$6,000,000 per year beginning in 2016 is a payment by the team, which shall be repaid to the team by the state, using funds as provided under section 297A.994, subdivision 4, clause (4). After 2020, the state shall assume this payment, using funds generated in accordance with the city of Minneapolis as specified under section 287A.994.

(c) The authority may establish an operating reserve to cover operating expense shortfalls and may accept funds from any source for deposit in the operating reserve. The establishment or funding of an authority operating reserve must not decrease the amounts required to be paid to the authority toward operating costs under this subdivision unless agreed to by the authority.

(d) The authority will be responsible for operating cost overruns.

(e) After the joint selection of the third-party manager or program manager, the authority may agree with a program manager or other third-party manager of the stadium on a fixed cost operating, management, or employment agreement with operating cost protections under which the program manager or third-party manager assumes responsibility for stadium operating costs and shortfalls. The agreement with the manager must require the manager to prepare an initial and ongoing operating plan and operating budgets for approval by the authority in consultation with the NFL team. The manager must agree to operate the stadium in accordance with the approved operating plan and operating budget.

Subd. 3. **Public access.** The authority will work to maximize access for public and amateur sports, community, and civic events, and other public events in type and on terms consistent with those currently held at the existing football stadium, as defined in section 473.551, subdivision 9. The authority may provide that these events have exclusive use of the premises at agreed-upon times subject to the scheduling rights of the NFL team under the lease or use agreement.

Subd. 4. **Capital improvements.** (a) The authority shall establish a capital reserve fund. The authority shall be responsible for making, or for causing others to make, all capital repairs, replacements, and improvements for the stadium and stadium infrastructure. The authority shall maintain, or cause others to maintain, the stadium and stadium infrastructure in a safe, clean, attractive, and first-class manner so as to cause them to remain in a condition comparable to that of other comparable NFL facilities of similar design and age. The authority shall make, or cause others to make, all necessary or appropriate repairs, renewals, and replacements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, foreseen or unforeseen, in a prompt and timely manner. In addition, the authority, with approval of the NFL team, may enter into an agreement with a program manager to perform some or all of the responsibilities of the authority in this subdivision and to assume and accept financial liability for the cost of performing the responsibilities.

(b) The NFL team must contribute \$1,500,000 each year, beginning in 2016 or as otherwise determined for the term of the lease or use agreement to the operating reserve fund, increased by a three percent annual inflation rate.

(c) The state shall contribute \$1,500,000 each year, beginning in 2016 or as otherwise determined for the term of the lease to the operating reserve fund. The contributions of the state are subject to increase by an annual adjustment factor. The contribution under this paragraph shall be assumed by the team from 2016 through 2020, and repaid to the team by the state using funds in accordance with section 297A.994, subdivision 4, clause (4).

(d) The authority with input from the NFL team shall develop short-term and long-term capital funding plans and shall use those plans to guide the future capital needs of the stadium and stadium infrastructure. The authority shall make the final determination with respect to funding capital needs. Any capital improvement proposed by the NFL team intended primarily to provide revenue enhancements to the NFL team shall be paid for by the NFL team, unless otherwise agreed to with the authority.

Subd. 5. **Game-day payments.** In addition to operating expense contributions of the NFL team under subdivision 2, the NFL team shall pay all NFL game day, NFL team-owned major league soccer, as provided in section 473J.15, subdivision 15, and other NFL team-sponsored event expenses within the stadium and stadium plaza areas.

Subd. 6. **Cooperation with financing.** The authority will cooperate with the NFL team to facilitate the financing of the NFL team's contribution. Such agreement to cooperate shall not require the authority to incur any additional costs or provide conduit financing. The lease, license, and other transaction documents shall include provisions customarily required by lenders in stadium financings.

Sec. 16. **[473J.15] CRITERIA AND CONDITIONS.**

Subdivision 1. **Binding and enforceable.** In developing the stadium and entering into related contracts, the authority must follow and enforce the criteria and conditions in this section, provided that a determination by the authority that those criteria or conditions have been met under any agreement or otherwise shall be conclusive.

Subd. 2. **NFL team/private contribution; timing of expenditures.** (a) The NFL team/private contribution, including stadium builder license proceeds, for stadium costs must be made in cash in the amount of at least \$427,000,000.

(b) Prior to the initial deposit of funds under this section, the team must provide security or other credit worthiness in the amount of \$50,000,000, subject to the satisfaction of the authority. Prior to the first issuance of bonds under section 16A.965, the first portion of the NFL team/private contribution in the amount of \$50,000,000 must be deposited as costs are incurred to the construction fund to pay for the initial stadium costs.

(c) After the first \$50,000,000 of stadium costs have been paid from the initial NFL team/private contribution, state funds shall be deposited as costs are incurred to the construction fund to pay for the next \$50,000,000 of costs of the project. Prior to any state funds being deposited in the construction fund, the NFL team must provide security or a financing commitment reasonably satisfactory to the authority for the balance of the required NFL team/private contribution and for payment of cost overruns if the NFL team assumes responsibility for stadium construction under section 473J.11. Thereafter, budgeted project costs shall be borne by the authority and the NFL team/private contributions in amounts proportionate to their remaining funding commitments.

(d) In the event the project terminates before the initial \$100,000,000 in contributions are expended by the parties under this subdivision, the parties shall be reimbursed in the amounts they have deposited to the construction fund proportionate to project funding percentages, in the amounts of 56 percent by the authority and 44 percent by the NFL team/private contributions.

Subd. 3. **Lease or use agreements; 30-year term.** The authority must enter into a long-term lease or use agreement with the NFL team for the NFL team's use of the stadium. The NFL team must agree to play all preseason, regular season, and postseason home games at the stadium. Training facilities must remain in Minnesota during the term of the lease or use agreement. The lease or use agreement must be for a term of at least 30 years from the date of substantial completion of the stadium for professional football games. The lease or use agreement may provide options for the NFL team to extend the term for up to four additional periods of five years. The lease or use agreement must include terms for default, termination, and breach of the agreement. Recognizing that the

presence of professional football provides to the state of Minnesota and its citizens highly valued, intangible benefits that are virtually impossible to quantify and, therefore, not recoverable in the event of the NFL team owner's breach of contract, the lease and use agreements must provide for specific performance and injunctive relief to enforce provisions relating to use of the stadium for professional football and must not include escape clauses or buyout provisions. The NFL team must not enter into or accept any agreement or requirement with or from any entity that is inconsistent with the NFL team's binding commitment to the 30-year term of the lease or use agreement or that would in any manner dilute, interfere with, or negate the provisions of the lease or use agreement, providing for specific performance or injunctive relief. The legislature conclusively determines, as a matter of public policy, that the lease or use agreement, and any grant agreement under this chapter that includes a specific performance clause:

(1) explicitly authorizes specific performance as a remedy for breach;

(2) is made for adequate consideration and upon terms which are otherwise fair and reasonable;

(3) has not been included through sharp practice, misrepresentation, or mistake;

(4) if specifically enforced, does not cause unreasonable or disproportionate hardship or loss to the NFL team or to third parties; and

(5) involves performance in a manner and the rendering of services of a nature and under circumstances that the beneficiary cannot be adequately compensated in damages.

Subd. 4. Lease or use agreements; revenues, payments. A lease or use agreement shall include rent and other fees and expenses to be paid by the NFL team. The authority shall agree to provide in the lease or use agreement for the NFL team to receive all NFL and team event related revenues, including but not limited to, suite revenues, advertising, concessions, signage, broadcast and media, and club seat revenue. The agreement shall also provide that all naming rights to the stadium are retained by the NFL team, subject to the approval of the name or names by the authority consistent with those criteria set out in the lease or use agreement. The agreement shall provide for the authority to receive all general ticket revenues and other event revenues other than from NFL team games, NFL team-owned major league soccer games, and other NFL team events agreed to by the authority. The stadium authority, or any company managing the stadium facilities on behalf of the authority, shall provide a public notice and seek a formal solicitation for requests for proposals for any contracts for goods, services, sponsorships, or advertising or signage rights at the stadium in excess of \$25,000 in accordance with the definitions and terms set forth in chapter 16C, with the stadium authority acting as the responsible authority for seeking any such formal solicitations and awarding any such contracts pursuant to such solicitations.

Subd. 5. Notice of breach or default. Until 30 years from the date of stadium completion, the NFL team must provide written notice to the authority not less than 180 days prior to any action, including any action imposed upon the NFL team by the NFL, which would result in a breach or default of provisions of the lease or use agreements required to be included under subdivision 3. If this notice provision is violated and the NFL team has already breached or been in default under the required provisions, the authority or the state of Minnesota may specifically enforce the lease or use agreement and Minnesota courts shall fashion equitable remedies so that the NFL team fulfills the conditions of the lease and use agreements.

Subd. 6. Enforceable financial commitments. The authority must determine before stadium construction begins that all public and private funding sources for construction, operating expenses, and capital improvements and repairs of the stadium are included in written agreements. The committed funds must be adequate to design, construct, furnish, and equip the stadium, and pay projected operating expenses and the costs of capital improvements and repairs during the term of the lease or use agreement with the NFL team. The NFL team must provide the authority access to NFL team financial or other information, which the authority deems necessary for such determination. Any financial information obtained by the authority under this subdivision is nonpublic data under section 13.02, subdivision 9.

Subd. 7. **Environmental requirements.** The authority must comply with all environmental requirements imposed by regulatory agencies for the stadium, site, and structure, except as provided by section 473J.09, subdivision 11, or by section 473J.17.

Subd. 8. **Public share on sale of NFL team.** The lease or use agreement must provide that, if the NFL team is sold or an interest in the NFL team is sold after the effective date of this chapter, a portion of the sale price must be paid to the authority and deposited in a reserve fund for improvements to the stadium or expended as the authority may otherwise direct. The portion required to be so paid to the authority is 18 percent of the amount in excess of the purchase price of the NFL team by the selling owner or owners, declining to zero 15 years after commencement of stadium construction in increments of 1.2 percent each year. The agreement must provide exceptions for sales to members of the owners' family and entities and trusts beneficially owned by family members, sales to employees of equity interests aggregating up to ten percent, sales related to capital infusions not distributed to the owners, and sales amongst existing owners not exceeding 20 percent equity interest in the NFL team.

Subd. 9. **Authority's access to NFL team financial information.** A notice provision for a material breach shall be agreed to between the authority and the NFL team. In the event there is a material breach by the NFL team under the lease or use agreement, the lease or use agreement must provide the authority access to audited financial statements of the NFL team and other financial information that the authority deems necessary to enforce the terms of any lease or use agreements. Any financial information obtained by the authority under this subdivision is nonpublic data under section 13.02, subdivision 9.

Subd. 10. **NFL team name retained.** The lease or use agreement must provide that the NFL team and NFL will transfer to the state of Minnesota the Minnesota Vikings' heritage and records, including the name, logo, colors, history, playing records, trophies, and memorabilia in the event of relocation of the NFL team is in violation of the lease or use agreement.

Subd. 11. **Stadium design.** (a) The authority and the NFL team will strive to build a stadium that is environmentally and energy efficient and will make an effort to build a stadium that is eligible to receive the Leadership in Energy and Environmental Design (LEED) certification for environmental design, and to the extent practicable, will strive to make the stadium design architecturally significant.

(b) The stadium design must, to the extent feasible, follow sustainable building guidelines established under section 16B.325.

(c) The authority and the team must ensure that the stadium be, to the greatest extent practicable, constructed of American-made steel.

Subd. 12. **Necessary approvals.** The authority and the NFL team must secure any necessary approvals to the terms of the lease and use agreement and the design and construction plans for the stadium, including prior approval of the NFL.

Subd. 13. **Affordable access.** The lease or use agreement must provide for an agreed-upon number of affordable tickets to the professional sporting events held in the stadium.

Subd. 14. **Stadium builder's licenses.** The authority shall own and retain the exclusive right to sell stadium builder's licenses in the stadium. The authority will retain the NFL team to act as the authority's agent in marketing and selling such licenses.

Subd. 15. **Major league soccer.** The authority shall, for five years after the first NFL team home game is played in the stadium, grant the NFL team the exclusive right to establish major league soccer at the stadium. The authority and the NFL team may enter into an agreement providing the terms and conditions of such an arrangement, provided:

(1) if any of the NFL team owners whose family owns at least three percent of the NFL team purchases full or partial ownership in a major league soccer franchise, such franchise may play in the stadium under a use agreement with similar terms as are applicable to the NFL team at no additional rent, but including a provision of payment of game-day costs and reasonable marginal costs incurred by the authority as a result of the major league soccer team; and

(2) capital improvements required by a major league soccer franchise must be financed by the owners of the major league soccer team, unless otherwise agreed to by the authority.

Subd. 16. **NFL team-related entities.** Subject to the prior approval of the authority, which shall not be unreasonably withheld, any of the obligations by the NFL team may be performed by the NFL team, a related entity, or a third party, and the NFL team, any entity related to the NFL team or third party may receive any revenues to which the NFL team is entitled hereunder; provided, however, the NFL team shall remain liable if any obligations are assigned to a related entity or third party.

Sec. 17. **[473J.17] MUNICIPAL ACTIVITIES.**

Subdivision 1. **Property acquisition and disposition.** The city may, to the extent legally permissible, acquire land, air rights, and other property interests within the development area for the stadium site and stadium infrastructure and convey it to the authority with or without consideration, prepare a site for development as a stadium, and acquire and construct any related stadium infrastructure. To the extent property parcels or interests acquired are more extensive than the stadium infrastructure requirements, the city may sell or otherwise dispose of the excess.

Subd. 2. **Claims.** Except as may be mutually agreed to by the city and the authority, the city has no interest in or claim to any assets or revenues of the authority.

Subd. 3. **Environmental; planning and zoning.** The authority is the responsible governmental unit for an environmental impact statement for the stadium prepared under section 116D.04, if an environmental impact statement is necessary. Notwithstanding section 116D.04, subdivision 2b, and implementing rules: (1) the environmental impact statement shall not be required to consider alternative stadium sites; and (2) the environmental impact statement must be determined to be adequate before commencing work on the foundation of the stadium, but the stadium and stadium infrastructure may otherwise be started and all preliminary and final government decisions and actions may be made and taken including, but not limited to, acquiring land; obtaining financing; granting permits or other land use approvals; entering into grant, lease, or use agreements; or preparing the site or related stadium infrastructure prior to a determination of the adequacy of the environmental impact statement.

Subd. 4. **Local government expenditure.** The city may make expenditures or grants for other costs incidental and necessary to further the purposes of this chapter and may, by agreement, reimburse in whole or in part, any entity that has granted, loaned, or advanced funds to the city to further the purposes of this chapter. The city may reimburse the authority or a local governmental entity or make a grant to the authority or such a governmental unit or be reimbursed by the authority or local governmental entity for site acquisition, preparation of the site for stadium development, and stadium infrastructure.

Subd. 5. **Municipal authority.** The legislature intends that, except as expressly limited herein, the city may acquire and develop stadium infrastructure, enter into contracts with the authority and other governmental or nongovernmental entities, appropriate funds, and make employees, consultants, and other revenues available for those purposes.

Subd. 6. **Stadium Implementation Committee; city review.** In order to accomplish the objectives of this act within the required time frame, it is necessary to establish an alternative process for municipal land use and development review. It is hereby found and declared that the construction of a stadium within the development area

is consistent with the adopted area plan, is the preferred stadium location, and is a permitted land use. This subdivision establishes a procedure for all land use and development reviews and approvals by the city of Minneapolis for the stadium and related stadium infrastructure and supersedes all land use and development rules and restrictions and procedures imposed by other law, charter, or ordinance, including without limitation section 15.99. No later than 30 days after timely compliance of the city as provided in article 4, section 5, of this act, the city of Minneapolis shall establish a stadium implementation committee to make recommendations on the design plans submitted for the stadium, and stadium infrastructure, and related improvements. The implementation committee must take action to issue its recommendations within the time frames established in the planning and construction timetable issued by the authority which shall provide for no less than 60 days for the committee's review. The recommendations of the implementation committee shall be forwarded to the city of Minneapolis Planning Commission for an advisory recommendation and then to the city council for final action in a single resolution, which final action must be taken within 45 days of the submission of the recommendations to the planning commission. The city council shall not impose any unreasonable conditions on the recommendations of the implementation committee, nor take any action or impose any conditions that will result in delay from the time frames established in the planning and construction timetable or in additional overall costs. Failure of the city council to act within the 45-day period shall be deemed to be approval. The authority may seek de novo review in the district court of any city council action. The district court or any appellate court shall expedite review to the maximum extent possible and timely issue relief, orders, or opinions as necessary to give effect to the provisions and objectives in this act.

Sec. 18. **[473J.19] PROPERTY TAX EXEMPTION; SPECIAL ASSESSMENTS.**

Any real or personal property acquired, owned, leased, controlled, used, or occupied by the authority for any of the purposes of this chapter, is acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes. The stadium and stadium infrastructure are exempt from ad valorem taxation by the state or any political subdivision of the state provided that the properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any of the properties in any manner different from their use under this chapter may be considered in determining the special benefit received by the properties. Notwithstanding section 272.01, subdivision 2, or 273.19, real or personal property which is subject to a lease or use agreement between the authority and another person for uses related to the purposes of this chapter, including the operation of the stadium and related parking facilities, is exempt from taxation regardless of the length of the lease or use agreement or the characteristics of the entity leasing or using the property. This section, insofar as it provides an exemption or special treatment, does not apply to any real property that is leased for residential, business, or commercial development or to a restaurant that is open for general business more than 200 days a year, or other purposes different from those contemplated in this chapter.

Sec. 19. **[473J.21] LIQUOR LICENSES.**

At the request of the authority, the city may issue intoxicating liquor licenses that are reasonably requested for the premises of the stadium site. These licenses are in addition to the number authorized by law. All provisions of chapter 340A not inconsistent with this section apply to the licenses authorized under this section.

Sec. 20. **[473J.23] LOCAL TAXES.**

No new or additional local sales or use tax shall be imposed on sales at the stadium site unless the tax is applicable throughout the taxing jurisdiction. Except for a tax imposed under article 7, no new or additional local tax shall be imposed on sales of tickets and admissions to NFL team, NFL team-owned major league soccer, or other team related events at the stadium, notwithstanding any law or ordinance, unless the tax is applicable throughout the taxing jurisdiction. The admissions and amusements tax currently imposed by the city of Minneapolis pursuant to Laws 1969, chapter 1092, may apply to admissions for football and NFL team related events, including NFL team-owned major league soccer, as provided in section 473J.15, subdivision 15, at the stadium.

Sec. 21. **[473J.25] METROPOLITAN SPORTS FACILITIES COMMISSION ASSETS; LIABILITIES TO AUTHORITY.**

Subdivision 1. **Authority expenses.** The Metropolitan Sports Facilities Commission shall pay the operating expenses of the authority including salaries, compensation, and other personnel, office, equipment, consultant and any other costs, until the commission is abolished pursuant to subdivision 3.

Subd. 2. **Transfer.** Within 90 days of the enactment of this chapter, the Metropolitan Sports Facilities Commission shall pay its outstanding obligations, settle its accounts, and transfer its remaining assets, liabilities, and obligations to the authority, for its purposes.

Subd. 3. **Metropolitan Sports Facilities Commission abolished; interim powers conferred on authority.** Upon transfer to the authority of all remaining assets, liabilities, and obligations of the Metropolitan Sports Facilities Commission, in subdivision 2, the Metropolitan Sports Facilities Commission is abolished. When the remaining assets, liabilities, and obligations of the Metropolitan Sports Facilities Commission have been transferred to the authority and the commission has been abolished, the powers and duties of the commission under sections 473.551 to 473.599, and any other law shall devolve upon the authority, in addition to the powers and duties of the authority under chapter 473J, until the first NFL home game is played at the stadium.

Subd. 4. **Employees.** Upon transfer of ownership all persons employed by the Metropolitan Sports Facilities Commission shall be transferred to the Minnesota Stadium Authority without loss of right or privilege. Nothing in this section shall be construed to give any such person the right or privilege to continue in the same level or classification of employment previously held. The Minnesota Stadium Authority may assign any such person to an employment level and classification which it deems appropriate and desirable in accordance with its personnel code.

Sec. 22. **EFFECTIVE DATE.**

Except as otherwise provided, this article is effective the day following final enactment.

ARTICLE 2
STATE STADIUM FUNDING

Section 1. **[16A.965] STADIUM APPROPRIATION BONDS.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision and in chapter 473J apply to this section.

(b) "Appropriation bond" means a bond, note, or other similar instrument of the state payable during a biennium from one or more of the following sources:

(1) money appropriated by law from the general fund, including, without limitation, revenues deposited in the general fund as provided in articles 4 and 5, in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (b);

(2) proceeds of the sale of obligations described in subdivision 2, paragraph (b);

(3) payments received for that purpose under agreements and ancillary arrangements described in subdivision 2, paragraph (d); and

(4) investment earnings on amounts in clauses (1) to (3).

(c) "Debt service" means the amount payable in any biennium of principal, premium, if any, and interest on appropriation bonds.

Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including, in particular, the financing of all or a portion of the acquisition, construction, improving, and equipping of the stadium project of the Minnesota Stadium Authority as provided by chapter 473J. Proceeds of the appropriation bonds must be credited to a special appropriation stadium bond proceeds fund in the state treasury. Net income from investment of the proceeds, as estimated by the commissioner, must be credited to the special appropriation stadium bond proceeds fund.

(b) Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient funds, not to exceed \$548,000,000 net of costs of issuance, deposits for debt service reserve funds, and costs of credit enhancement for achieving the purposes authorized as provided under paragraph (a), and pay debt service, pay costs of issuance, make deposits to reserve funds, pay the costs of credit enhancement, or make payments under other agreements entered into under paragraph (d); provided, however, that appropriation bonds issued and unpaid shall not exceed \$650,000,000 in principal amount, excluding refunding bonds sold and issued under subdivision 4.

(c) Appropriation bonds may be issued from time to time in one or more series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of appropriation bonds may not exceed 30 years. The appropriation bonds of each issue and series thereof shall be dated and bear interest, and may be includable in or excludable from the gross income of the owners for federal income tax purposes.

(d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter into agreements and ancillary arrangements relating to the appropriation bonds, including but not limited to trust indentures, grant agreements, lease or use agreements, operating agreements, management agreements, liquidity facilities, remarketing or dealer agreements, letter of credit agreements, insurance policies, guaranty agreements, reimbursement agreements, indexing agreements, or interest exchange agreements. Any payments made or received according to the agreement or ancillary arrangement shall be made from or deposited as provided in the agreement or ancillary arrangement. The determination of the commissioner included in an interest exchange agreement that the agreement relates to an appropriation bond shall be conclusive.

(e) The commissioner may enter into written agreements or contracts relating to the continuing disclosure of information necessary to comply with, or facilitate the issuance of appropriation bonds in accordance with federal securities laws, rules, and regulations, including Securities and Exchange Commission rules and regulations in Code of Federal Regulations, title 17, section 240.15c 2-12. An agreement may be in the form of covenants with purchasers and holders of appropriation bonds set forth in the order or resolution authorizing the issuance of the appropriation bonds, or a separate document authorized by the order or resolution.

(f) The appropriation bonds are not subject to chapter 16C.

Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds, notes, or other similar instruments, and in the manner provided in section 16A.672. In the event that any provision of section 16A.672 conflicts with this section, this section shall control.

(b) Every appropriation bond shall include a conspicuous statement of the limitation established in subdivision 6.

(c) Appropriation bonds may be sold at either public or private sale upon such terms as the commissioner shall determine are not inconsistent with this section and may be sold at any price or percentage of par value. Any bid received may be rejected.

(d) Appropriation bonds must bear interest at a fixed or variable rate.

(e) Notwithstanding any other law, appropriation bonds issued under this section shall be fully negotiable.

Subd. 4. **Refunding bonds.** The commissioner from time to time may issue appropriation bonds for the purpose of refunding any appropriation bonds then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, in the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding appropriation bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the appropriation bonds to be refunded or interest or premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the general fund or, if applicable, the special appropriation stadium bond proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the appropriation bonds to be refunded.

Subd. 5. **Appropriation bonds as legal investments.** Any of the following entities may legally invest any sinking funds, money, or other funds belonging to them or under their control in any appropriation bonds issued under this section:

(1) the state, the investment board, public officers, municipal corporations, political subdivisions, and public bodies;

(2) banks and bankers, savings and loan associations, credit unions, trust companies, savings banks and institutions, investment companies, insurance companies, insurance associations, and other persons carrying on a banking or insurance business; and

(3) personal representatives, guardians, trustees, and other fiduciaries.

Subd. 6. **No full faith and credit; state not required to make appropriations.** The appropriation bonds are not public debt of the state, and the full faith, credit, and taxing powers of the state are not pledged to the payment of the appropriation bonds or to any payment that the state agrees to make under this section. Appropriation bonds shall not be obligations paid directly, in whole or in part, from a tax of statewide application on any class of property, income, transaction, or privilege. Appropriation bonds shall be payable in each fiscal year only from amounts that the legislature may appropriate for debt service for any fiscal year, provided that nothing in this section shall be construed to require the state to appropriate funds sufficient to make debt service payments with respect to the appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no longer be outstanding on the earlier of (1) the first day of a fiscal year for which the legislature shall not have appropriated amounts sufficient for debt service, or (2) the date of final payment of the principal of and interest on the appropriation bonds.

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds and interest credited to the special appropriation stadium bond proceeds fund are appropriated to the commissioner for payment of capital expenses, debt service on outstanding indebtedness of the state, operating and capital reserves of the authority, and the funding of debt service reserves for the appropriation bonds, each as permitted by state and federal law, and nonsalary expenses incurred in conjunction with the sale of the appropriation bonds, and such proceeds may be granted, loaned, or otherwise provided to the authority for the public purpose provided by subdivision 2, paragraph (a).

Subd. 8. **Commissioner; determination of available revenues.** (a) By March 15 of each fiscal year, the commissioner, in consultation with the commissioner of revenue, shall determine the estimated increase in revenues received from taxes imposed under chapter 297E over the estimated revenues under the February 2012 revenue forecast for that fiscal year. For fiscal years after fiscal year 2015, the commissioner shall use the February 2012 revenue forecast for fiscal year 2015 as the baseline. All calculations under this paragraph must be made net of estimated refunds of the taxes required to be paid.

(b) Available revenues for purposes of subdivision 9, equal the amount determined under paragraph (a), less the following amounts for the fiscal year:

(1) the appropriation to principal and interest on appropriation bonds under subdivision 9, paragraph (a);

(2) the appropriations under article 5, section 44, paragraph (a), for administration and any successor appropriation;

(3) the reduction in revenues resulting from the sales tax exemptions under section 297A.71, subdivisions 43 and 44;

(4) reimbursements authorized by section 473J.15, subdivision 2; and

(5) payment of compulsive gambling appropriations under article 5, section 44, paragraph (b), and any successor appropriation.

(c) If the estimated increase in revenues under paragraph (a) for the fiscal year are less than or equal to \$52,000,000, then available revenues, as determined under paragraph (b), are allocated:

(1) 50 percent to be used for appropriations under subdivision 9, paragraph (a); and

(2) 50 percent to be used for appropriations under subdivision 9, paragraph (b)

(d) If the estimated increase in revenues under paragraph (a) for the fiscal year are greater than \$52,000,000, the first \$16,000,000 of any available revenues, as determined under paragraph (b), is allocated for payment of gambling tax rebates under section 297E.02, subdivision 12, and the remainder is allocated as provided under paragraph (c), clauses (1) and (2).

(e) The provisions of this subdivision apply only after the issuance of appropriation bonds under subdivision 2.

Subd. 9. **Appropriation for debt service and other purposes.** (a) The amount needed to pay principal and interest on appropriation bonds issued under this section is appropriated each year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation otherwise pursuant to subdivision 6, for deposit into the bond payment accounts established for such purpose in the special appropriation stadium bond proceeds fund.

(b) To the extent the commissioner determines revenues are available under the provisions of subdivision 8, paragraph (b), for the fiscal year, the following amounts are appropriated from the general fund:

(1) to replenish the amount on deposit in any debt service reserve account established with respect to the appropriation bonds to the debt service reserve requirement amount as determined by order of the commissioner; and

(2) to the extent not required under clause (1), for deposit to any general reserve account established by order of the commissioner for application against any shortfall in the amounts deposited to the general fund pursuant to section 297A.994.

Subd. 10. **Waiver of immunity.** The waiver of immunity by the state provided for by section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary contracts to which the commissioner is a party.

Subd. 11. **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 or notes 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 therewith.

(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 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. 2. **APPROPRIATION.**

If state appropriation bonds have not been issued under Minnesota Statutes, section 16A.965, amounts not to exceed the increased revenues estimated by the commissioner of management and budget under Minnesota Statutes, section 16A.965, subdivision 8, paragraph (a), are appropriated to the commissioner of management and budget to make grants to the Minnesota Stadium Authority for stadium costs as defined under Minnesota Statutes, section 473J.03, subdivision 8.

ARTICLE 3 CONFORMING CHANGES

Section 1. Minnesota Statutes 2010, section 3.971, subdivision 6, is amended to read:

Subd. 6. **Financial audits.** The legislative auditor shall audit the financial statements of the state of Minnesota required by section 16A.50 and, as resources permit, shall audit Minnesota State Colleges and Universities, the University of Minnesota, state agencies, departments, boards, commissions, courts, and other state organizations subject to audit by the legislative auditor, including the State Agricultural Society, Agricultural Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco, ~~Metropolitan Sports Facilities Commission~~, Metropolitan Airports Commission, and Metropolitan Mosquito Control District. Financial audits must be conducted according to generally accepted government auditing standards. The legislative auditor shall see that all provisions of law respecting the appropriate and economic use of public funds are complied with and may, as part of a financial audit or separately, investigate allegations of noncompliance.

Sec. 2. Minnesota Statutes 2010, section 13.55, subdivision 1, is amended to read:

Subdivision 1. **Not public classification.** The following data received, created, or maintained by or for publicly owned and operated convention facilities, ~~or civic center authorities, or the Metropolitan Sports Facilities Commission~~ are classified as nonpublic data pursuant to section 13.02, subdivision 9; or private data on individuals pursuant to section 13.02, subdivision 12:

(a) a letter or other documentation from any person who makes inquiry to or who is contacted by the facility regarding the availability of the facility for staging events;

(b) identity of firms and corporations which contact the facility;

(c) type of event which they wish to stage in the facility;

(d) suggested terms of rentals; and

(e) responses of authority staff to these inquiries.

Sec. 3. Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may permit the general public to participate in a wine tasting conducted at the club under section 340A.419; and

~~(5) sports facilities located on land owned by the Metropolitan Sports Commission; and~~

~~(6) exclusive liquor stores.~~

(b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the theater.

(c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a convention center within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the convention center. This paragraph does not apply to convention centers located in the seven-county metropolitan area.

(d) A city may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a summer collegiate league baseball team, or to a person holding a concessions or management contract with the owner, for beverage sales at a ballpark or stadium located within the city for the purposes of summer collegiate league baseball games at the ballpark or stadium, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending baseball games at the ballpark or stadium.

Sec. 4. Minnesota Statutes 2010, section 352.01, subdivision 2a, is amended to read:

Subd. 2a. **Included employees.** (a) "State employee" includes:

- (1) employees of the Minnesota Historical Society;
- (2) employees of the State Horticultural Society;
- (3) employees of the Minnesota Crop Improvement Association;
- (4) employees of the adjutant general whose salaries are paid from federal funds and who are not covered by any federal civilian employees retirement system;
- (5) employees of the Minnesota State Colleges and Universities who are employed under the university or college activities program;
- (6) currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in subdivision 2b, clause (8);
- (7) employees of the legislature who are appointed without a limit on the duration of their employment and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to conduct a special inquiry, investigation, examination, or installation;
- (8) trainees who are employed on a full-time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period;
- (9) employees of the Minnesota Safety Council;
- (10) any employees who are on authorized leave of absence from the Transit Operating Division of the former Metropolitan Transit Commission and who are employed by the labor organization which is the exclusive bargaining agent representing employees of the Transit Operating Division;
- (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space Commission, ~~Metropolitan Sports Facilities Commission~~, or Metropolitan Mosquito Control Commission unless excluded under subdivision 2b or are covered by another public pension fund or plan under section 473.415, subdivision 3;
- (12) judges of the Tax Court;
- (13) personnel who were employed on June 30, 1992, by the University of Minnesota in the management, operation, or maintenance of its heating plant facilities, whose employment transfers to an employer assuming operation of the heating plant facilities, so long as the person is employed at the University of Minnesota heating plant by that employer or by its successor organization;
- (14) personnel who are employed as seasonal employees in the classified or unclassified service;
- (15) persons who are employed by the Department of Commerce as a peace officer in the Insurance Fraud Prevention Division under section 45.0135 who have attained the mandatory retirement age specified in section 43A.34, subdivision 4;
- (16) employees of the University of Minnesota unless excluded under subdivision 2b, clause (3);
- (17) employees of the Middle Management Association whose employment began after July 1, 2007, and to whom section 352.029 does not apply; and

(18) employees of the Minnesota Government Engineers Council to whom section 352.029 does not apply.

(b) Employees specified in paragraph (a), clause (13), are included employees under paragraph (a) if employer and employee contributions are made in a timely manner in the amounts required by section 352.04. Employee contributions must be deducted from salary. Employer contributions are the sole obligation of the employer assuming operation of the University of Minnesota heating plant facilities or any successor organizations to that employer.

Sec. 5. Minnesota Statutes 2010, section 473.121, subdivision 5a, is amended to read:

Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan Parks and Open Space Commission, ~~and the Metropolitan Airports Commission, and Metropolitan Sports Facilities Commission.~~

Sec. 6. Minnesota Statutes 2010, section 473.164, is amended to read:

473.164 SPORTS, AIRPORT COMMISSIONS TO PAY COUNCIL COSTS.

Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities Commission and the Metropolitan Airports Commission~~ shall annually reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the commission. The costs may be charged against any revenue sources of the commission as determined by the commission.

Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council shall transmit to ~~each the~~ commission an estimate of the costs which the council will incur in the discharge of its responsibilities related to the commission in the next budget year including, without limitation, costs in connection with the preparation, review, implementation and defense of plans, programs and budgets of the commission. ~~Each The~~ commission shall include the estimates in its budget for the next budget year and may transmit its comments concerning the estimated amount to the council during the budget review process. Prior to December 15 of each year, the amount budgeted by ~~each the~~ commission for the next budget year may be changed following approval by the council. During each budget year, the commission shall transfer budgeted funds to the council in advance when requested by the council.

Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in cooperation with ~~each the~~ commission, shall adopt a final statement of costs incurred by the council for ~~each the~~ commission. Where costs incurred in the budget year have exceeded the amount budgeted, ~~each the~~ commission shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year.

Sec. 7. Minnesota Statutes 2010, section 473.565, subdivision 1, is amended to read:

Subdivision 1. **In MSRS; exceptions.** All employees of the former commission shall be members of the Minnesota State Retirement System with respect to service rendered on or after May 17, 1977, except as provided in this section.

Sec. 8. **REPEALER.**

Minnesota Statutes 2010, sections 473.551; 473.552; 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; 473.556, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, and 17; 473.561; 473.564, subdivisions 2 and 3; 473.572; 473.581; 473.592, subdivision 1; 473.595; 473.598; 473.599; and 473.76, are repealed.

Sec. 9. **EFFECTIVE DATE.**

This article is effective June 30, 2016.

ARTICLE 4
MINNEAPOLIS CONVENTION CENTER

Section 1. [297A.994] CITY OF MINNEAPOLIS SALES TAX; ALLOCATION OF REVENUES.

Subdivision 1. **Scope.** Notwithstanding the provisions of section 297A.99, subdivision 11, the provisions of this section govern the remittance of the proceeds of taxes imposed by the city of Minneapolis under the special law.

Subd. 2. **Definitions.** (a) For purposes of this section, the following definitions apply.

(b) "City" means the city of Minneapolis.

(c) "Special law" means Laws 1986, chapter 396, sections 4 and 5, as amended.

(d) "Tax" means the sales taxes imposed by the city under the special law.

(e) The terms defined under section 473J.03 apply for purposes of this section.

Subd. 3. **General allocation of revenues.** The commissioner shall apply the revenues from the taxes as follows:

(1) the commissioner must deduct the costs of collecting and administering the taxes, according to the applicable law and agreements between the commissioner and the city. For revenues from the general sales tax, the commissioner must deduct a proportionate share of the cost of collection, as described in section 297A.99, subdivision 11;

(2) after deducting the costs in clause (1), the commissioner must deduct refunds of any of these taxes due to taxpayers, if any;

(3) after making the deductions provided in clause (2), notwithstanding the provisions of any agreement between the commissioner and the city providing for collection and remittance of these taxes, the commissioner must deposit to the general fund the amounts specified in subdivision 4; and

(4) after depositing to the general fund under clause (3) as specified in subdivision 4, the commissioner must remit the remainder to the city for the uses provided in the special law.

Subd. 4. **General fund allocations.** (a) The commissioner must deposit to the general fund the following amounts, as required by subdivision 3, clause (3):

(1) for state bond debt service support beginning in calendar year 2021, and for each calendar year thereafter through calendar year 2046, proportionate amounts periodically so that not later than December 31, 2046, an aggregate annual amount equal to a present value of \$150,000,000 has been deposited in the general fund. To determine aggregate present value, the commissioner must consult with the commissioner of management and budget regarding the present value dates, discount rate or rates, and schedules of annual amounts. The present value date or dates must be based on the date or dates bonds are sold under section 16A.965, or the date or dates other state funds, if any, are deposited into the construction fund. The discount rate or rates must be based on the true interest cost of the bonds issued under section 16A.965, or an equivalent 30-year bond index, as determined by the commissioner of management and budget. The schedule of annual amounts must be certified to the commissioner by the commissioner of management and budget and the finance officer of the city;

(2) for the capital improvement reserve appropriation to stadium authority beginning in calendar year 2021, and for each calendar year thereafter through calendar year 2046, so that not later than January 1, 2022, and as of January 1 of each following year, an aggregate annual amount equal to the amount paid by the state for calendar year 2021, under section 473J.13, subdivision 4, increased each year by an annual adjustment factor;

(3) for the operating expense appropriation to stadium authority beginning in calendar year 2021, and for each calendar year thereafter through calendar year 2046, so that not later than January 1, 2022, and as of January 1 of each following year, an aggregate annual amount equal to the amount paid by the state for calendar year 2021 under section 473J.13, subdivision 2, increased each year by an annual adjustment factor;

(4) for recapture of NFL team advances for capital improvements and operating expenses for calendar years 2016 through 2020 beginning in calendar year 2021, and for each calendar year thereafter until all amounts under this clause have been paid, proportionate amounts periodically until an aggregate amount equal to the present value of all amounts paid by the NFL team have been deposited in the general fund. To determine the present value of the amounts paid by the NFL team to the authority and the present value of amounts deposited to the general fund under this clause, the commissioner shall consult with the commissioner of management and budget and the NFL team regarding the present value dates, discount rate or rates, and schedule of annual amounts. The present value dates must be based on the dates NFL team funds are paid to the authority, or the dates the commissioner of revenue deposits taxes for purposes of this clause to the general fund. The discount rates must be based on the reasonably equivalent cost of NFL team funds as determined by the commissioner of management and budget after consulting with the NFL team. The schedule of annual amounts must be revised to reflect amounts paid under section 473J.09, subdivision 13, and taxes deposited to the general fund from time to time under this clause, and the schedule and revised schedules must be certified to the commissioner by the commissioner of management and budget and the finance officer of the city, and are transferred as accrued from the general fund to the NFL team, for repayment of advances made by the NFL team to the city of Minneapolis; and

(5) to capture increases in taxes imposed under the special law, for the benefit of the stadium authority, beginning in calendar year 2013 and for each calendar year thereafter through 2046, there shall be deposited to the general fund by February 15 of each following year, amounts calculated by the commissioner under this clause. For each year, the commissioner shall determine the excess, if any, of the taxes received by the commissioner over the benchmark scheduled amounts of the taxes, as described in this section. The benchmark scheduled amounts for each year must be based on the actual amount of the taxes for calendar year 2011 inflated for each subsequent year at an annual rate of two percent, according to a schedule certified to the commissioner by the commissioner of management and budget and the finance officer of the city. The amounts to be deposited to the general fund by the commissioner for each year equal:

(i) zero for the amount of the taxes for the year up to a scheduled benchmark of \$1,000,000, inflated at two percent per year, in excess of the taxes for calendar year 2011;

(ii) 50 percent times the difference, if any, by which the amount of the taxes for the year exceeds the scheduled benchmark in item (i), as inflated, but not greater than a scheduled benchmark of \$3,000,000, inflated at two percent per year, in excess of the taxes for calendar year 2011; and

(iii) 25 percent times the difference, if any, by which the amount of the taxes for the year exceeds the scheduled benchmark of \$3,000,000, inflated at two percent per year, in excess of the taxes for calendar year 2011.

(b) The annual adjustment factor for purposes of this section and the special law for any year equals the increase, if any, in the amount of these taxes received by the commissioner in the preceding year over the amount received in the year prior to the preceding year, expressed as a percentage of the amount received in the year prior to the preceding year; provided, that the adjustment factor for any year must not be less than zero percent nor more than five percent.

Sec. 2. Laws 1986, chapter 396, section 4, as amended by Laws 1987, chapter 55, sections 5 and 6, and Laws 2009, chapter 88, article 4, sections 11 and 12, is amended to read:

Sec. 4. **SALES AND USE TAX.**

Subdivision 1. **Imposition.** Notwithstanding Minnesota Statutes, section 477A.016, or any other contrary provision of law, ordinance, or city charter, upon approval by the city's board of estimate and taxation by a vote of at least five members, the city of Minneapolis may by ordinance impose an additional sales tax of up to one-half of one percent on sales taxable pursuant to Minnesota Statutes, chapter 297A that occur within the city, and may also by ordinance impose an additional compensating use tax of up to one-half of one percent on uses of property within the city, the sale of which would be subject to the additional sales tax but for the fact such property was sold outside the city. The tax may not be imposed on gross receipts from sales of intoxicating liquor that are exempt from taxation under ~~sections 297A.25 to 297A.257 or other~~ any provision of chapter 297A exempting sales of intoxicating liquor and use from taxation, including amendments adopted after enactment of this act.

For purposes of this subdivision, sales that occur within the city shall not include (a) the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minneapolis by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minneapolis and thereafter used in a trade or business outside Minneapolis, and which is not thereafter returned to a point within Minneapolis, except in the course of interstate or intrastate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minneapolis, places in the United States mail or parcel post directed to the purchaser outside Minneapolis, or delivers to the purchaser outside Minneapolis by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minneapolis, except in the course of interstate or intrastate commerce; or (b) sales which would be described in ~~clause (e) or (u) of~~ Minnesota Statutes, section ~~297A.25, subdivision 1~~ 297A.68, subdivision 11 or 16, if the word "Minneapolis" were substituted for the words "Minnesota" or "state of Minnesota" in such ~~clauses~~ subdivisions. ~~A tax may be imposed under this section only if the taxes imposed under section 5 are imposed at the maximum rate allowed under that section. The tax authorized by this section shall be imposed; until December 31, 2046. The tax may be imposed and may be adjusted periodically by the city council in conformity with Minnesota Statutes, section 297A.99, subdivision 12, such that the rate imposed, rounded to the next highest one-tenth of one percent, does not exceed the rate estimated to be required to produce~~ produces revenue sufficient to finance the ~~costs~~ purposes described in ~~subdivision subdivisions~~ 3 and 4, but in no case may the rate exceed one-half of one percent.

Subd. 2. **Enforcement; collection.** (a) Except as provided in paragraph (b), these taxes shall be subject to the same interest penalties and other rules imposed under Minnesota Statutes, chapter 297A. The commissioner of revenue may enter into appropriate agreements with the city to provide for collection of these taxes by the state on behalf of the city. The commissioner may charge the city a reasonable fee for its collection from the proceeds of any taxes, as provided in Minnesota Statutes, section 297A.99, subdivision 9.

(b) A taxpayer located outside of the city of Minneapolis who collects use tax under this section in an amount that does not exceed \$10 in a reporting period is not required to remit that tax until the amount of use tax collected is \$10.

Subd. 3. **Use of property.** Revenues received from the tax may only be used:

~~(1) to pay costs of collection;~~

~~(2)~~ (1) to pay or secure the payment of any principal of, premium or interest on bonds issued in accordance with this act;

(3) (2) to pay costs to acquire, design, equip, construct, improve, maintain, operate, administer, or promote the convention center or related facilities, and other capital projects or economic developments under subdivision 4, including financing costs related to them;

(4) (3) to pay reasonable and appropriate costs determined by the city to replace housing and the ice arena removed from the site;

(5) (4) to maintain reserves for the foregoing purposes deemed reasonable and appropriate by the city; and

(6) (5) to fund projects and for other purposes under subdivision 4.

Money for replacement housing shall be made available by the city only for new construction, conversion of nonresidential buildings, and for rehabilitation of vacant residential structures, only if all of the units in the newly constructed building, converted nonresidential building, or rehabilitated residential structure are to be used for replacement housing.

Subd. 4. **Minneapolis downtown and neighborhood projects.** (a) For revenues collected in calendar years 2009 and 2010, to the extent that revenues from the tax authorized in subdivision 1 exceeds the amount needed to fund the purposes in subdivision 3, the city may use the excess revenue to fund any city services. The total amount used in both years for this purpose may not exceed the total amount of aid and credit reductions under Minnesota Statutes, sections 273.1384 and 477A.011 to 477A.014 in calendar years 2008, 2009, and 2010 due to a governor's unallotment or due to statutory reductions.

(b) Beginning with revenues collected in calendar year 2011, to the extent that revenues from the ~~tax~~ taxes authorized in subdivision 1 ~~exceeds or in section 5 exceed~~ the amount needed to fund the purposes in subdivision 3, the city may use the excess revenue in any year to fund capital projects to further residential, cultural, commercial, and economic development in both downtown Minneapolis and the Minneapolis neighborhoods, to fund other city expenditures in support of the capital projects, or for other economic development, provided the city may direct excess revenue first to convention center debt, operations, capital improvements, and marketing. The city may issue bonds to fund any such projects or improvements using these taxes or any other available city resources to finance or secure the bonds.

Sec. 3. Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, is amended to read:

Sec. 5. LIQUOR, LODGING, AND RESTAURANT TAXES.

The city may, by resolution, levy in addition to taxes authorized by other law:

(1) a sales tax of not more than three percent on the gross receipts on retail on-sales of intoxicating liquor and fermented malt beverages ~~described in section 473.592 occurring in the~~ when sold at licensed on-sale liquor establishments located within the downtown taxing area, provided that this tax may not be imposed if sales of intoxicating liquor and fermented malt beverages are exempt from taxation under chapter 297A;

(2) a sales tax of not more than three percent on the gross receipts from the furnishing for consideration of lodging ~~described in section 473.592 for a period of less than 30 days at a hotel, motel, rooming house, tourist court, or trailer camp located within the city~~ by a hotel or motel which has more than 50 rooms available for lodging; the tax imposed under this clause shall be at a rate that, when added to the sum of the rate of the sales tax imposed under Minnesota Statutes, chapter 297A, the rate of the sales tax imposed under section 4, and the rate of any other taxes on lodging in the city of Minneapolis, equals 13 percent; and

(3) a sales tax of not more than three percent on the gross receipts on all sales of food primarily for consumption on or off the premises by restaurants and places of refreshment as defined by resolution of the city that occur within the downtown taxing area.

The taxes authorized by this section shall be imposed until January 1, 2047. The taxes shall be imposed and may be adjusted periodically by the city council such that the rates imposed, produce revenue sufficient, together with the tax imposed under section 4, to finance the purposes described in section 4, subdivisions 3 and 4. These taxes shall be applied, first, as provided in Minnesota Statutes, section 297A.994, subdivision 3, clauses (1) to (3), and then, solely to pay costs of collection and to pay or, secure, maintain, and fund the payment of any principal of, premium on, and interest on any bonds or any costs referred to other purposes in section 4, subdivision 3 or 4. The commissioner of revenue may enter into appropriate agreements with the city to provide for the collection of these taxes by the state on behalf of the city. The commissioner may charge the city a reasonable fee for its collection from the proceeds of any taxes. These taxes shall be subject to the same interest penalties and enforcement provisions as the taxes imposed under section 473.592 Minnesota Statutes, chapter 297A.

Sec. 4. **CHARTER LIMITATIONS NOT TO APPLY.**

Any amounts expended, indebtedness or obligation incurred including, but not limited to the issuance of bonds, or actions taken by the city under this article are not deemed an expenditure or other use of city resources within the meaning of any law or charter limitation. The city may exercise any of its powers under this article to spend, borrow, tax, or incur any form of indebtedness or other obligation, for the improvement, including but not limited to, acquisition, development, construction, or betterment, of any public building, stadium, or other capital improvement project, without regard to any charter limitation or provision. Any tax exemption established under this article shall not be deemed an expenditure or other use of city resources within the meaning of any charter limitation.

Sec. 5. **EFFECTIVE DATE; LOCAL APPROVAL.**

This article is effective the day after the governing body of the city of Minneapolis and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3. Notwithstanding any law to the contrary, the city of Minneapolis and its chief clerical officer have 30 calendar days following final enactment of this act, to comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 6. **SEVERABILITY; SAVINGS.**

If any part of this article is found to be invalid because it is in conflict with a provision of the Minnesota Constitution or for any other reason, all other provisions of this article shall remain valid and any rights, remedies, and privileges that have been otherwise accrued by this article, shall remain in effect and may be proceeded with and concluded under the provisions of this article.

Sec. 7. **LOCAL SALES TAX REQUIREMENTS NOT TO APPLY.**

The taxes authorized under Laws 1986, chapter 396, sections 4 and 5, as amended, are exempt from the requirements of Minnesota Statutes, section 297A.99, subdivisions 2 and 3.

ARTICLE 5
LAWFUL GAMBLING

Section 1. Minnesota Statutes 2010, section 349.12, subdivision 3b, is amended to read:

Subd. 3b. **Bar operation.** "Bar operation" means a method of selling and redeeming disposable gambling equipment by an employee of the lessor within a leased premises which is licensed for the on-sale of alcoholic beverages where such sales and redemptions are made by an employee of the lessor from a common area where food and beverages are also sold.

Sec. 2. Minnesota Statutes 2010, section 349.12, subdivision 3c, is amended to read:

Subd. 3c. **Bar bingo.** "Bar bingo" is a bingo occasion conducted at a permitted premises in an area where intoxicating liquor or 3.2 percent malt beverages are sold and where the licensed organization conducts another form of lawful gambling. Bar bingo does not include bingo games linked to other permitted premises.

Sec. 3. Minnesota Statutes 2010, section 349.12, subdivision 5, is amended to read:

Subd. 5. **Bingo occasion.** "Bingo occasion" means a single gathering or session at which a series of one or more successive bingo games is played. There is no limit on the number of games conducted during a bingo occasion ~~but~~. A bingo occasion must not last longer than eight consecutive hours, except that linked bingo games played on electronic bingo devices may be played during regular business hours of the permitted premises, and all play during this period is considered a bingo occasion for reporting purposes. For permitted premises where the primary business is bingo, regular business hours shall be defined as the hours between 8:00 a.m. and 2:00 a.m.

Sec. 4. Minnesota Statutes 2010, section 349.12, subdivision 6a, is amended to read:

Subd. 6a. **Booth operation.** "Booth operation" means a method of selling and redeeming disposable gambling equipment by an employee of a licensed organization in a premises the organization leases or owns ~~where such sales and redemptions are made within a separate enclosure that is distinct from areas where food and beverages are sold.~~

Sec. 5. Minnesota Statutes 2010, section 349.12, subdivision 12a, is amended to read:

Subd. 12a. **Electronic bingo device.** "Electronic bingo device" means ~~an~~ a handheld and portable electronic device that:

(a) is used by a bingo player to:

(1) monitor bingo paper sheets or a facsimile of a bingo paper sheet ~~when~~ purchased and played at the time and place of an organization's bingo occasion and ~~which~~ (1) provides a means for bingo players to, or to play an electronic bingo game that is linked with other permitted premises;

(2) activate numbers announced by a bingo caller; (2) compares or displayed, and to compare the numbers entered by the player to the bingo faces previously stored in the memory of the device; and

(3) ~~identifies~~ identify a winning bingo pattern- or game requirement; and

(4) play against other bingo players;

(b) limits the play of bingo faces to 36 faces per game;

(c) requires coded entry to activate play but does not allow the use of a coin, currency, or tokens to be inserted to activate play;

(d) may only be used for play against other bingo players in a bingo game;

(e) has no additional function as an amusement or gambling device;

(f) has the capability to ensure adequate levels of security and internal controls; and

(g) has the capability to permit the board to electronically monitor the operation of the device and the internal accounting systems.

~~Electronic bingo device does not mean any device into which coin, currency, or tokens are inserted to activate play.~~

Sec. 6. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12b. **Electronic pull-tab device.** "Electronic pull-tab device" means a handheld and portable electronic device that:

(a) is used to play one or more electronic pull-tab games;

(b) requires coded entry to activate play but does not allow the use of coin, currency, or tokens to be inserted to activate play;

(c) requires that a player must activate or open each electronic pull-tab ticket and each individual line, row, or column of each electronic pull-tab ticket;

(d) maintains information pertaining to accumulated win credits that may be applied to games in play or redeemed upon termination of play;

(e) has no spinning symbols or other representations that mimic a video slot machine;

(f) has no additional function as a gambling device;

(g) may incorporate an amusement game feature as part of the pull-tab game but may not require additional consideration for that feature or award any prize, or other benefit for that feature;

(h) may have auditory or visual enhancements to promote or provide information about the game being played, provided the component does not affect the outcome of a game or display the results of a game;

(i) maintains, on nonresettable meters, a printable, permanent record of all transactions involving each device and electronic pull-tab games played on the device; and

(j) is not a pull-tab dispensing device as defined under subdivision 32a.

Sec. 7. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12c. **Electronic pull-tab game.** "Electronic pull-tab game" means a pull-tab game containing:

(a) facsimiles of pull-tab tickets that are played on an electronic pull-tab device;

(b) a predetermined, finite number of winning and losing tickets, not to exceed 7,500 tickets;

(c) the same price for each ticket in the game;

(d) a price paid by the player of not less than 25 cents per ticket;

(e) tickets that are in conformance with applicable board rules for pull-tabs;

(f) winning tickets that comply with prize limits under section 349.211;

(g) a unique serial number that may not be regenerated;

(h) an electronic flare that displays the game name, form number, predetermined, finite number of tickets in the game, and prize tier; and

(i) no spinning symbols or other representations that mimic a video slot machine.

Sec. 8. Minnesota Statutes 2010, section 349.12, is amended by adding a subdivision to read:

Subd. 12d. **Electronic pull-tab game system.** "Electronic pull-tab game system" means the equipment leased from a licensed distributor and used by a licensed organization to conduct, manage, and record electronic pull-tab games, and to report and transmit the game results as prescribed by the board and the Department of Revenue. The system must provide security and access levels sufficient so that internal control objectives are met as prescribed by the board. The system must contain a point-of-sale station.

Sec. 9. Minnesota Statutes 2010, section 349.12, subdivision 18, is amended to read:

Subd. 18. **Gambling equipment.** "Gambling equipment" means: gambling equipment that is either disposable or permanent gambling equipment.

(a) Disposable gambling equipment includes the following:

(1) bingo hard cards or paper sheets, including linked bingo paper sheets, ~~devices for selecting bingo numbers, electronic bingo devices;~~

(2) paper and electronic pull-tabs;

(3) jar tickets, ~~paddle wheels, paddle wheel tables;~~

(4) paddle tickets, and paddle ticket cards;

(5) tipboards, and tipboard tickets; and

(6) promotional tickets that mimic a pull-tab or tipboard, ~~pull tab dispensing devices, and programmable electronic devices that have no effect on the outcome of a game and are used to provide a visual or auditory enhancement of a game.~~

(b) Permanent gambling equipment includes the following:

(1) devices for selecting bingo numbers;

(2) electronic bingo devices;

(3) electronic pull-tab devices;

(4) pull-tab dispensing devices;

(5) programmable electronic devices that have no effect on the outcome of a game and are used to provide a visual or auditory enhancement of a game;

(6) paddle wheels; and

(7) paddle wheel tables.

Sec. 10. Minnesota Statutes 2010, section 349.12, subdivision 25b, is amended to read:

Subd. 25b. **Linked bingo game provider.** "Linked bingo game provider" means any person who provides the means to link bingo prizes in a linked bingo game, who provides linked bingo paper sheets to the participating organizations games, who provides linked bingo prize management, and who provides the linked bingo game system.

Sec. 11. Minnesota Statutes 2010, section 349.12, subdivision 25c, is amended to read:

Subd. 25c. **Linked bingo game system.** "Linked bingo game system" means the equipment used by the linked bingo provider to conduct, transmit, and track a linked bingo game. The system must be approved by the board before its use in this state and it must have ~~dial-up or other~~ the capability to permit the board to electronically monitor its operation remotely. For linked electronic bingo games, the system includes electronic bingo devices.

Sec. 12. Minnesota Statutes 2010, section 349.12, subdivision 25d, is amended to read:

Subd. 25d. **Linked bingo prize pool.** "Linked bingo prize pool" means the total of all prize money that each participating organization has contributed to a linked bingo game prize and includes any portion of the prize pool that is carried over from one ~~occasion~~ game to another in a progressive linked bingo game.

Sec. 13. Minnesota Statutes 2010, section 349.12, subdivision 29, is amended to read:

Subd. 29. **Paddle wheel.** "Paddle wheel" means a vertical wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances, and may only be used to determine a winning number or numbers matching a winning paddle ticket purchased by a player. A paddle wheel may be an electronic device that simulates a paddle wheel.

Sec. 14. Minnesota Statutes 2010, section 349.12, subdivision 31, is amended to read:

Subd. 31. **Promotional ticket.** A paper pull-tab ticket or paper tipboard ticket created and printed by a licensed manufacturer with the words "no purchase necessary" and "for promotional use only" and for which no consideration is given is a promotional ticket.

Sec. 15. Minnesota Statutes 2010, section 349.12, subdivision 32, is amended to read:

Subd. 32. **Pull-tab.** "Pull-tab" means a single folded or banded paper ticket ~~or a~~ multi-ply card with perforated break-open tabs, or a facsimile of a paper pull-tab ticket used in conjunction with an electronic pull-tab device, the face of which is initially covered to conceal one or more numbers or symbols, and where one or more of each set of tickets ~~or~~ cards, or facsimiles has been designated in advance as a winner.

Sec. 16. Minnesota Statutes 2010, section 349.13, is amended to read:

349.13 LAWFUL GAMBLING.

Lawful gambling is not a lottery or gambling within the meaning of sections 609.75 to 609.76 if it is conducted under this chapter. A pull-tab dispensing device, electronic bingo device, and electronic pull-tab device permitted under this chapter and by board rule is not a gambling device within the meaning of sections 609.75 to 609.76 and chapter 299L. An electronic game device allowed under this chapter may not be a slot machine. Electronic game devices, including but not limited to electronic bingo devices, electronic paddle wheels, and electronic pull-tab devices authorized under this chapter, may only be used in the conduct of lawful gambling permitted under this chapter and board rule and may not display or simulate any other form of gambling or entertainment, except as otherwise allowed under this chapter.

Sec. 17. Minnesota Statutes 2010, section 349.151, subdivision 4b, is amended to read:

Subd. 4b. **Pull-tab sales from dispensing devices.** ~~(a)~~ The board may by rule authorize but not require the use of pull-tab dispensing devices.

~~(b) Rules adopted under paragraph (a):~~

~~(1) must limit the number of pull tab dispensing devices on any permitted premises to three; and~~

~~(2) must limit the use of pull tab dispensing devices to a permitted premises which is (i) a licensed premises for on sales of intoxicating liquor or 3.2 percent malt beverages; or (ii) a premises where bingo is conducted and admission is restricted to persons 18 years or older.~~

~~(c) Notwithstanding rules adopted under paragraph (b), pull tab dispensing devices may be used in establishments licensed for the off sale of intoxicating liquor, other than drugstores and general food stores licensed under section 340A.405, subdivision 1.~~

Sec. 18. Minnesota Statutes 2010, section 349.151, subdivision 4c, is amended to read:

Subd. 4c. **Electronic bingo devices.** (a) The board may by rule authorize but not require the use of electronic bingo devices.

~~(b) Rules adopted under paragraph (a):~~

~~(1) must limit the number of bingo faces that can be played using an electronic bingo device to 36;~~

~~(2) must require that an electronic bingo device be used with corresponding bingo paper sheets or a facsimile, printed at the point of sale, as approved by the board;~~

~~(3) must require that the electronic bingo device site system have dial up capability to permit the board to remotely monitor the operation of the device and the internal accounting systems; and~~

~~(4) must prohibit the price of a face played on an electronic bingo device from being less than the price of a face on a bingo paper sheet sold at the same occasion.~~

(b) The board, or the director if authorized by the board, may require the deactivation of an electronic bingo device for violation of a law or rule and to implement any other controls deemed necessary to ensure and maintain the integrity of electronic bingo devices and the electronic bingo games played on the devices.

Sec. 19. Minnesota Statutes 2010, section 349.151, is amended by adding a subdivision to read:

Subd. 4d. **Electronic pull-tab devices and electronic pull-tab game system.** (a) The board may adopt rules it deems necessary to ensure the integrity of electronic pull-tab devices, the electronic pull-tab games played on the devices, and the electronic pull-tab game system necessary to operate them.

(b) The board may not require an organization to use electronic pull-tab devices.

(c) Before authorizing the lease or sale of electronic pull-tab devices and the electronic pull-tab game system, the board shall examine electronic pull-tab devices allowed under section 349.12, subdivision 12b. The board may contract for the examination of the game system and electronic pull-tab devices and may require a working model to be transported to locations the board designates for testing, examination, and analysis. The manufacturer must pay

all costs of any testing, examination, analysis, and transportation of the model. The system must be approved by the board before its use in the state and must have the capability to permit the board to electronically monitor its operation and internal accounting systems.

(d) The board may require a manufacturer to submit a certificate from an independent testing laboratory approved by the board to perform testing services, stating that the equipment has been tested, analyzed, and meets the standards required in this chapter and any applicable board rules.

(e) The board, or the director if authorized by the board, may require the deactivation of an electronic pull-tab device for violation of a law or rule and to implement any other controls deemed necessary to ensure and maintain the integrity of electronic pull-tab devices and the electronic pull-tab games played on the devices.

Sec. 20. Minnesota Statutes 2010, section 349.155, subdivision 3, is amended to read:

Subd. 3. **Mandatory disqualifications.** (a) In the case of licenses for manufacturers, distributors, distributor salespersons, linked bingo game providers, and gambling managers, the board may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the applicant or licensee, or a director, officer, partner, governor, or person in a supervisory or management position of the applicant or licensee:

(1) has ever been convicted of a felony or a crime involving gambling;

(2) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(3) is or has ever been connected with or engaged in an illegal business;

(4) owes \$500 or more in delinquent taxes as defined in section 270C.72;

(5) had a sales and use tax permit revoked by the commissioner of revenue within the past two years; or

(6) after demand, has not filed tax returns required by the commissioner of revenue. The board may deny or refuse to renew a license under this chapter, and may revoke a license under this chapter, if any of the conditions in this paragraph are applicable to an affiliate or direct or indirect holder of more than a five percent financial interest in the applicant or licensee.

(b) In the case of licenses for organizations, the board may not issue a license under this chapter, and shall revoke a license under this chapter, if the organization, or an officer or member of the governing body of the organization:

(1) has been convicted of a felony or gross misdemeanor involving theft or fraud; or

(2) has ever been convicted of a crime involving gambling; ~~or.~~

~~(3) has had a license issued by the board or director permanently revoked for violation of law or board rule.~~

Sec. 21. Minnesota Statutes 2010, section 349.155, subdivision 4, is amended to read:

Subd. 4. **License revocation, suspension, denial; censure.** (a) The board may by order (i) deny, suspend, revoke, or refuse to renew a license or premises permit, or (ii) censure a licensee or applicant, if it finds that the order is in the public interest and that the applicant or licensee, or a director, officer, partner, governor, person in a supervisory or management position of the applicant or licensee, an employee eligible to make sales on behalf of the applicant or licensee, or direct or indirect holder of more than a five percent financial interest in the applicant or licensee:

(1) has violated or failed to comply with any provision of this chapter or chapter 297E or 299L, or any rule adopted or order issued thereunder;

(2) has filed an application for a license that is incomplete in any material respect, or contains a statement that, in light of the circumstances under which it was made, is false, misleading, fraudulent, or a misrepresentation;

(3) has made a false statement in a document or report required to be submitted to the board or the commissioner of revenue, or has made a false statement to the board, the compliance review group, or the director;

(4) has been convicted of a crime in another jurisdiction that would be a felony if committed in Minnesota;

(5) is permanently or temporarily enjoined by any gambling regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

(6) has had a gambling-related license revoked or suspended, or has paid or been required to pay a monetary penalty of \$2,500 or more, by a gambling regulator in another state or jurisdiction;

(7) has been the subject of any of the following actions by the director of alcohol and gambling enforcement or commissioner of public safety: (i) had a license under chapter 299L denied, suspended, or revoked, (ii) been censured, reprimanded, has paid or been required to pay a monetary penalty or fine, or (iii) has been the subject of any other discipline by the director or commissioner;

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling; or

(9) based on past activities or criminal record poses a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.

(b) The revocation or suspension of an organization's license may not exceed a period of ten years, including any revocation or suspension imposed by the board prior to the effective date of this paragraph, except that:

(1) any prohibition placed by the board on who may be involved in the conduct, oversight, or management of the revoked organization's lawful gambling activity is permanent; and

(2) a revocation or suspension will remain in effect until any taxes, fees, and fines that are delinquent have been paid by the organization to the satisfaction of the board.

Sec. 22. Minnesota Statutes 2010, section 349.161, subdivision 1, is amended to read:

Subdivision 1. **Prohibited acts; licenses required.** (a) No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state other than for lawful gambling exempt or excluded from licensing, except to an organization licensed for lawful gambling;

(2) sell, offer for sale, or furnish gambling equipment for use within the state without having obtained a distributor license or a distributor salesperson license under this section except that an organization authorized to conduct bingo by the board may loan bingo hard cards and devices for selecting bingo numbers to another organization authorized to conduct bingo and a linked bingo game provider may provide electronic bingo devices for linked electronic bingo games;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

(b) No licensed distributor salesperson may sell, offer for sale, or furnish gambling equipment for use within the state without being employed by a licensed distributor or owning a distributor license.

(c) No distributor or distributor salesperson may also be licensed as a linked bingo game provider under section 349.1635.

Sec. 23. Minnesota Statutes 2010, section 349.161, subdivision 5, is amended to read:

Subd. 5. **Prohibition.** (a) No distributor, distributor salesperson, or other employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor, may: (1) be involved in the conduct of lawful gambling by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may provide an employee or agent of the organization any compensation, gift, gratuity, premium, or other thing of value greater than \$25 per organization in a calendar year.

(e) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased or leased from that distributor or distributor salesperson is being used in the conduct of lawful gambling.

(f) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker for a paper pull-tab game.

(g) No distributor, distributor salesperson, or any representative, agent, affiliate, or other employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(h) No distributor or distributor salesperson may purchase or lease gambling equipment for resale or lease to a person for use within the state from any person not licensed as a manufacturer under section 349.163, except for gambling equipment returned from an organization licensed under section 349.16, or exempt or excluded from licensing under section 349.166.

(i) No distributor or distributor salesperson may sell gambling equipment, except gambling equipment identified as a promotional ticket, to any person for use in Minnesota other than (i) a licensed organization or organization excluded or exempt from licensing, or (ii) the governing body of an Indian tribe.

(j) No distributor or distributor salesperson may sell or otherwise provide a paper pull-tab or tipboard deal with the symbol required by section 349.163, subdivision 5, paragraph (d), visible on the flare to any person other than in Minnesota to a licensed organization or organization exempt from licensing.

Sec. 24. Minnesota Statutes 2010, section 349.162, subdivision 5, is amended to read:

Subd. 5. **Sales from facilities.** (a) All gambling equipment purchased or possessed by a licensed distributor for resale or lease to any person for use in Minnesota must, prior to the equipment's resale or lease, be unloaded into a storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the Division of Alcohol and Gambling Enforcement as a storage facility of the distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a storage facility which has been registered with the Division of Alcohol and Gambling Enforcement. No gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board or the Department of Revenue. A distributor must notify the board of the method that it will use to sell and transfer electronic pull-tab games to licensed organizations, and must receive approval of the board before implementing or making changes to the approved method.

(b) Notwithstanding section 349.163, subdivisions 5, 6, and 8, a licensed manufacturer may ship into Minnesota approved or unapproved gambling equipment if the licensed manufacturer ships the gambling equipment to a Minnesota storage facility that is: (1) owned or leased by the licensed manufacturer; and (2) registered, in advance and in writing, with the Division of Alcohol and Gambling Enforcement as a manufacturer's storage facility. No gambling equipment may be shipped into Minnesota to the manufacturer's registered storage facility unless the shipment of the gambling equipment is reported to the Department of Revenue in a manner prescribed by the department. No gambling equipment may be moved from the storage facility unless the gambling equipment is sold to a licensed distributor and is otherwise in conformity with this chapter, is shipped to an out-of-state site and the shipment is reported to the Department of Revenue in a manner prescribed by the department, or is otherwise sold and shipped as permitted by board rule. A manufacturer must notify the board of the method that it will use to sell and transfer electronic pull-tab games to licensed distributors, and must receive approval of the board before implementing or making changes to the approved method.

(c) All storage facilities owned, leased, used, or operated by a licensed distributor or manufacturer may be entered upon and inspected by the employees of the Division of Alcohol and Gambling Enforcement, the Division of Alcohol and Gambling Enforcement director's authorized representatives, employees of the Gambling Control Board or its authorized representatives, employees of the Department of Revenue, or authorized representatives of the director of the Division of Special Taxes of the Department of Revenue during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a manufacturer's or distributor's licenses and permits issued under this chapter.

(d) Unregistered gambling equipment found at any location in Minnesota other than the manufacturing plant of a licensed manufacturer or a registered storage facility are contraband under section 349.2125. This paragraph does not apply:

(1) to unregistered gambling equipment being transported in interstate commerce between locations outside this state, if the interstate shipment is verified by a bill of lading or other valid shipping document; and

(2) to gambling equipment registered with the Department of Revenue for distribution to the tribal casinos.

Sec. 25. Minnesota Statutes 2010, section 349.163, subdivision 1, is amended to read:

Subdivision 1. **License required.** No manufacturer of gambling equipment may sell any gambling equipment to any person for use or resale within the state, unless the manufacturer has a current and valid license issued by the board under this section and has satisfied other criteria prescribed by the board by rule. A manufacturer licensed under this section may also be licensed as a linked bingo game provider under section 349.1635.

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161.

Sec. 26. Minnesota Statutes 2010, section 349.163, subdivision 5, is amended to read:

Subd. 5. **Paper pull-tab and tipboard flares.** (a) A manufacturer may not ship or cause to be shipped into this state or sell for use or resale in this state any deal of paper pull-tabs or tipboards that does not have its own individual flare as required for that deal by this subdivision and rule of the board. A person other than a manufacturer may not manufacture, alter, modify, or otherwise change a flare for a deal of paper pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) The flare of each paper pull-tab and tipboard game must have affixed to or imprinted at the bottom a bar code that provides all information required by the commissioner of revenue under section 297E.04, subdivision 2.

The serial number included in the bar code must be the same as the serial number of the tickets included in the deal. A manufacturer who manufactures a deal of paper pull-tabs must affix to the outside of the box containing that game the same bar code that is affixed to or imprinted at the bottom of a flare for that deal.

(c) No person may alter the bar code that appears on the outside of a box containing a deal of paper pull-tabs and tipboards. Possession of a box containing a deal of paper pull-tabs and tipboards that has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box.

(d) The flare of each deal of paper pull-tabs and tipboards sold by a manufacturer for use or resale in Minnesota must have imprinted on it a symbol that is at least one inch high and one inch wide consisting of an outline of the geographic boundaries of Minnesota with the letters "MN" inside the outline. The flare must be placed inside the wrapping of the deal which the flare describes.

(e) Each paper pull-tab and tipboard flare must bear the following statement printed in letters large enough to be clearly legible:

"Pull-tab (or tipboard) purchasers -- This pull-tab (or tipboard) game is not legal in Minnesota unless:

-- an outline of Minnesota with letters "MN" inside it is imprinted on this sheet, and

-- the serial number imprinted on the bar code at the bottom of this sheet is the same as the serial number on the pull-tab (or tipboard) ticket you have purchased."

(f) The flare of each paper pull-tab and tipboard game must have the serial number of the game imprinted on the bar code at the bottom of the flare in numerals at least one-half inch high.

Sec. 27. Minnesota Statutes 2010, section 349.163, subdivision 6, is amended to read:

Subd. 6. **Samples of gambling equipment.** (a) The board shall require each licensed manufacturer to submit to the board one or more samples of each item of gambling equipment ~~the manufacturer manufactures~~ manufactured for use or resale in this state. For purposes of this subdivision, a manufacturer is also required to submit the applicable version of any software necessary to operate electronic devices and related systems.

(b) The board shall inspect and test all the equipment, including software and software upgrades, it deems necessary to determine the equipment's compliance with law and board rules. Samples required under this subdivision must be approved by the board before the equipment being sampled is shipped into or sold for use or resale in this state. The board shall impose a fee of \$25 for each item of gambling equipment that the manufacturer submits for approval or for which the manufacturer requests approval. The board shall impose a fee of \$100 for each sample of gambling equipment that it tests.

(c) The board may require samples of gambling equipment to be tested by an independent testing laboratory prior to submission to the board for approval. All costs of testing by an independent testing laboratory must be borne by the manufacturer. An independent testing laboratory used by a manufacturer to test samples of gambling equipment must be approved by the board before the equipment is submitted to the laboratory for testing.

(d) The board may request the assistance of the commissioner of public safety and the director of the State Lottery in performing the tests.

Sec. 28. Minnesota Statutes 2010, section 349.1635, subdivision 2, is amended to read:

Subd. 2. **License application.** The board may issue a license to a linked bingo game provider or to a manufacturer licensed under section 349.163 who meets the qualifications of this chapter and the rules promulgated by the board. The application shall be on a form prescribed by the board. The license is valid for two years and the fee for a linked bingo game provider license is \$5,000 per year.

Sec. 29. Minnesota Statutes 2010, section 349.1635, subdivision 3, is amended to read:

Subd. 3. **Attachments to application.** An applicant for a linked bingo game provider license must attach to its application:

(1) evidence of a bond in the principal amount of \$100,000 payable to the state of Minnesota conditioned on the payment of all linked bingo prizes and any other money due and payable under this chapter;

(2) detailed plans and specifications for the operation of the linked bingo game and the linked bingo system, along with a proposed fee schedule for the cost of providing services and equipment to licensed organizations which may not exceed 15 percent of gross profits, unless a higher percentage, not to exceed 20 percent, is authorized by the board. The fee schedule must incorporate costs paid to distributors for services provided under subdivision 5; and

(3) any other information required by the board by rule.

Sec. 30. Minnesota Statutes 2010, section 349.1635, is amended by adding a subdivision to read:

Subd. 5. **Linked bingo game services requirements.** (a) A linked bingo game provider must contract with licensed distributors for linked bingo game services including, but not limited to, the solicitation of agreements with licensed organizations, and installation, repair, or maintenance of the linked bingo game system.

(b) A distributor may not charge a fee to licensed organizations for services authorized and rendered under paragraph (a).

(c) A linked bingo game provider may not contract with any distributor on an exclusive basis.

(d) A linked bingo game provider may refuse to contract with a licensed distributor if the linked bingo game provider demonstrates that the licensed distributor is not capable of performing the services under the contract.

Sec. 31. Minnesota Statutes 2010, section 349.165, subdivision 2, is amended to read:

Subd. 2. **Contents of application.** An application for a premises permit must contain:

- (1) the name and address of the applying organization;
- (2) a description of the site for which the permit is sought, including its address and, where applicable, its placement within another premises or establishment;
- (3) if the site is leased, the name and address of the lessor and information about the lease the board requires, including all rents and other charges for the use of the site. The lease term is concurrent with the term of the premises permit. The lease must contain a ~~30-day~~ termination clause. No lease is required for the conduct of a raffle; and
- (4) other information the board deems necessary to carry out its purposes.

An organization holding a premises permit must notify the board in writing within ten days whenever any material change is made in the above information.

Sec. 32. Minnesota Statutes 2010, section 349.17, subdivision 6, is amended to read:

Subd. 6. **Conduct of bingo.** The price of a face played on an electronic bingo device may not be less than the price of a face on a bingo paper sheet sold for the same game at the same occasion. A game of bingo begins with the first letter and number called or displayed. Each player must cover, mark, or activate the numbers when bingo numbers are randomly selected; and announced; ~~and~~ or displayed to the players; ~~either manually or with a flashboard and monitor.~~ The game is won when a player, using bingo paper, bingo hard card, or a facsimile of a bingo paper sheet, has completed, as described in the bingo program, a previously designated pattern or previously determined requirements of the game and declared bingo. The game is completed when a winning card, sheet, or facsimile is verified and a prize awarded pursuant to subdivision 3.

Sec. 33. Minnesota Statutes 2010, section 349.17, subdivision 7, is amended to read:

Subd. 7. **Bar bingo.** An organization may conduct bar bingo subject to the following restrictions:

- (1) the bingo is conducted at a site the organization owns or leases and which has a license for the sale of intoxicating beverages on the premises under chapter 340A; and
- (2) the bingo is conducted using only bingo paper sheets or facsimiles of bingo paper sheets purchased from a licensed distributor or licensed linked bingo game provider; ~~and~~
- ~~(3) no rent may be paid for a bar bingo occasion.~~

Sec. 34. Minnesota Statutes 2010, section 349.17, subdivision 8, is amended to read:

Subd. 8. **Linked bingo games.** (a) A licensed organization may conduct or participate in ~~not more than two~~ linked bingo games ~~per occasion, one of which may be, including~~ a progressive games game in which a portion of the prize is carried over from one ~~occasion~~ game to another until won by a player achieving a valid bingo ~~within a predetermined amount of bingo numbers called~~ based upon a predetermined and posted win determination.

~~(b) Each participating licensed organization shall contribute to each prize awarded in a linked bingo game in an amount not to exceed \$300. Linked bingo games may only be conducted by licensed organizations who have a valid agreement with the linked bingo game provider.~~

(c) An electronic bingo device as defined in section 349.12, subdivision 12a, may be used for a linked bingo game.

(d) The board may adopt rules to:

(1) specify the manner in which a linked bingo game must be played and how the linked bingo prizes must be awarded;

(2) specify the records to be maintained by a linked bingo game provider;

(3) require the submission of periodic reports by the linked bingo game provider and specify the content of the reports;

(4) establish the qualifications required to be licensed as a linked bingo game provider; and

(5) any other matter involving the operation of a linked bingo game.

Sec. 35. Minnesota Statutes 2010, section 349.17, is amended by adding a subdivision to read:

Subd. 9. Linked bingo games played exclusively on electronic bingo devices. In addition to the requirements of subdivision 8, the following requirements and restrictions apply when linked bingo games are played exclusively on electronic bingo devices.

(a) The permitted premises must be:

(1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent malt beverages, except for a general food store or drug store permitted to sell alcoholic beverages under section 340A.405, subdivision 1; or

(2) a premises where bingo is conducted as the primary business and has a seating capacity of at least 100.

(b) The number of electronic bingo devices is limited to:

(1) no more than six devices in play for permitted premises with 200 seats or less;

(2) no more than 12 devices in play for permitted premises with 201 seats or more; and

(3) no more than 50 devices in play for permitted premises where bingo is the primary business.

Seating capacity is determined as specified under the local fire code.

(c) Prior to a bingo occasion, the linked bingo game provider, on behalf of the participating organizations, must provide to the board a bingo program in a format prescribed by the board.

(d) Before participating in the play of a linked bingo game, a player must present and register a valid picture identification card that includes the player's address and date of birth.

(e) An organization may remove from play a device that a player has not maintained in an activated mode for a specified period of time determined by the organization. The organization must provide the notice in its house rules.

Sec. 36. Minnesota Statutes 2010, section 349.1721, is amended to read:

349.1721 CONDUCT OF PULL-TABS.

Subdivision 1. **Cumulative or carryover games.** The board shall by rule permit pull-tab games with multiple seals. The board shall also adopt rules for pull-tab games with cumulative or carryover prizes. The rules shall also apply to electronic pull-tab games.

Subd. 2. **Event games.** The board shall by rule permit pull-tab games in which certain winners are determined by the random selection of one or more bingo numbers or by another method approved by the board. The rules shall also apply to electronic pull-tab games.

Subd. 3. **Pull-tab dispensing device location restrictions and requirements.** The following pertain to pull-tab dispensing devices as defined under section 349.12, subdivision 32a.

(a) The use of any pull-tab dispensing device must be at a permitted premises which is:

(1) a licensed premises for on-sale of intoxicating liquor or 3.2 percent malt beverages;

(2) a premises where bingo is conducted as the primary business; or

(3) an establishment licensed for the off-sale of intoxicating liquor, other than drug stores and general food stores licensed under section 340A.405, subdivision 1.

(b) The number of pull-tab dispensing devices located at any permitted premises is limited to three.

Subd. 4. **Electronic pull-tab device requirements and restrictions.** The following pertain to the use of electronic pull-tab devices as defined under section 349.12, subdivision 12b.

(a) The use of any electronic pull-tab device may only be at a permitted premises that is:

(1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent malt beverages, except for a general food store or drug store permitted to sell alcoholic beverages under section 340A.405, subdivision 1; or

(2) a premises where bingo is conducted as the primary business and has a seating capacity of at least 100; and

(3) where the licensed organization sells paper pull-tabs.

(b) The number of electronic pull-tab devices is limited to:

(1) no more than six devices in play at any permitted premises with 200 seats or less;

(2) no more than 12 devices in play at any permitted premises with 201 seats or more; and

(3) no more than 50 devices in play at any permitted premises where the primary business is bingo.

Seating capacity is determined as specified under the local fire code.

(c) The hours of operation for the devices are limited to 8:00 a.m. to 2:00 a.m.

(d) All electronic pull-tab games must be sold and played on the permitted premises and may not be linked to other permitted premises.

(e) Electronic pull-tab games may not be transferred electronically or otherwise to any other location by the licensed organization.

(f) Electronic pull-tab games may be commingled if the games are from the same family of games and manufacturer and contain the same game name, form number, type of game, ticket count, prize amounts, and prize denominations. Each commingled game must have a unique serial number.

(g) An organization may remove from play a device that a player has not maintained in an activated mode for a specified period of time determined by the organization. The organization must provide the notice in its house rules.

(h) Before participating in the play of an electronic pull-tab game, a player must present and register a valid picture identification card that includes the player's address and date of birth.

(i) Each player is limited to the use of one device at a time.

Subd. 5. **Multiple chance games.** The board may permit pull-tab games in which the holders of certain predesignated winning tickets, with a prize value not to exceed \$75 each, have the option of turning in the winning tickets for the chance to win a prize of greater value.

Sec. 37. Minnesota Statutes 2010, section 349.18, subdivision 1, is amended to read:

Subdivision 1. **Lease or ownership required; rent limitations.** (a) An organization may conduct lawful gambling only on premises it owns or leases. Leases must be on a form prescribed by the board. The term of the lease is concurrent with the premises permit. Leases approved by the board must specify that the board may authorize an organization to withhold rent from a lessor for a period of up to 90 days if the board determines that illegal gambling occurred on the premises or that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. The lease must authorize the continued tenancy of the organization without the payment of rent during the time period determined by the board under this paragraph. Copies of all leases must be made available to employees of the board and the Division of Alcohol and Gambling Enforcement on request.

(b) Rent paid by an organization for leased premises for the conduct of ~~pull tabs, tipboards, and paddle wheels~~ lawful gambling is subject to the following limits and restrictions:

(1) For booth operations, ~~including booth operations where a pull tab dispensing device is located, booth operations where a bar operation is also conducted, and booth operations where both a pull tab dispensing device is located and a bar operation is also conducted,~~ the maximum rent is: monthly rent may not exceed ten percent of gross profits for that month. Total rent paid to a lessor from all organizations from leases governed by this clause may not exceed \$1,750 per month.

~~(i) in any month where the organization's gross profit at those premises does not exceed \$4,000, up to \$400; and~~

~~(ii) in any month where the organization's gross profit at those premises exceeds \$4,000, up to \$400 plus not more than ten percent of the gross profit for that month in excess of \$4,000;~~

(2) For bar operations, ~~including bar operations where a pull tab dispensing device is located but not including bar operations subject to clause (1), and for locations where only a pull tab dispensing device is located:~~ monthly rent may not exceed:

(i) 15 percent of the gross profits for that month from pull-tabs sold from a pull-tab dispensing device, electronic pull-tab games, and electronic linked bingo games; and

(ii) not more than 20 percent of gross profits from all other forms of lawful gambling.

~~(i) in any month where the organization's gross profit at those premises does not exceed \$1,000, up to \$200; and~~

~~(ii) in any month where the organization's gross profit at those premises exceeds \$1,000, up to \$200 plus not more than 20 percent of the gross profit for that month in excess of \$1,000;~~

(3) ~~a lease not governed by clauses (1) and (2) must be approved by the board before becoming effective; For electronic linked bingo games and electronic pull-tab games that are operated for separate time periods within a business day by an organization and the lessor, monthly rent may not be more than:~~

(i) 15 percent of the gross profits for that month for the time periods operated by the lessor. The lessor is responsible for cash shortages that occur during the time periods the games are operated by the lessor; and

(ii) ten percent of the gross profits for that month for the time periods operated by the organization. The organization is responsible for cash shortages that occur during the time periods the games are operated by the organization.

~~(4) total rent paid to a lessor from all organizations from leases governed by clause (1) may not exceed \$1,750 per month.~~

~~(e) Rent paid by an organization for leased premises for the conduct of bingo is subject to either of the following limits at the option of the parties to the lease:~~

~~(4) (4) For bingo conducted at a leased premises where the primary business is bingo, rent is limited to either not more than ten percent of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo or at a rate based on a cost per square foot not to exceed 110 percent of a comparable cost per square foot for leased space as approved by the director; and~~

~~(2) (5) No rent may be paid for bar bingo as defined in section 349.12, subdivision 3c.~~

(6) A lease not governed by clauses (1) to (5) must be approved by the director before becoming effective.

~~(d) (c) Amounts paid as rent under leases are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including, but not limited to, trash removal, janitorial and cleaning services, snow removal, lawn services, electricity, heat, security, security monitoring, storage, and other utilities or services, and, in the case of bar operations, cash shortages, unless approved by the director. The lessor shall be responsible for the cost of any communications network or service required to conduct electronic pull-tab games or electronic bingo games. Any other expenditure made by an organization that is related to a leased premises must be approved by the director. For bar operations, the lessor is responsible for cash shortages. An organization may not provide any compensation or thing of value to a lessor or the lessor's employees from any fund source other than its gambling account. Rent payments may not be made to an individual.~~

~~(e)~~ (d) Notwithstanding paragraph (b), an organization may pay a lessor for food or beverages or meeting room rental if the charge made is comparable to similar charges made to other individuals or groups.

~~(f)~~ No entity other than the (e) A licensed organization may not conduct any activity ~~within a booth operation on behalf of the lessor~~ on a leased premises.

Sec. 38. Minnesota Statutes 2010, section 349.19, subdivision 2, is amended to read:

Subd. 2. **Accounts.** (a) Gross receipts from lawful gambling by each organization must be segregated from all other revenues of the conducting organization and placed in a separate gambling bank account.

(b) All expenditures for allowable expenses, taxes, and lawful purposes must be made from the separate account except (1) in the case of expenditures previously approved by the organization's membership for emergencies as defined by board rule, (2) as provided in subdivision 2a, or (3) when restricted to one electronic fund transaction for the payment of taxes for the organization as a whole, the organization may transfer the amount of taxes related to the conduct of gambling to the general account at the time when due and payable.

(c) The name and address of the bank, the account number for the separate account, and the names of organization members authorized as signatories on the separate account must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made.

(d) Except for gambling receipts from electronic pull-tab games and linked electronic bingo games, gambling receipts must be deposited into the gambling bank account within four business days of completion of the bingo occasion, deal, or game from which they are received.

(1) A deal of paper pull-tabs is considered complete when either the last pull-tab of the deal is sold or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct pull-tabs.

(2) A tipboard game is considered complete when the seal on the game flare is uncovered or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct tipboards.

(e) Gambling receipts from all electronic pull-tab games and all linked electronic bingo games must be recorded on a daily basis and deposited into the gambling bank account within two business days.

~~(e)~~ (f) Deposit records must be sufficient to allow determination of deposits made from each bingo occasion, deal, or game at each permitted premises.

~~(f)~~ (g) The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Sec. 39. Minnesota Statutes 2010, section 349.19, subdivision 3, is amended to read:

Subd. 3. **Expenditures.** (a) All expenditures of gross profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment.

(b) Each licensed organization must report monthly to the board ~~on a form~~ in an electronic format prescribed by the board each expenditure or contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name of the recipient of the expenditure or contribution;

(2) the date the expenditure or contribution was approved by the organization;

(3) the date, amount, and check number or electronic transfer confirmation number of the expenditure or contribution;

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25; and

(5) in the case of expenditures authorized under section 349.12, subdivision 25, paragraph (a), clause (7), whether the expenditure is for a facility or activity that primarily benefits male or female participants.

(c) Authorization of the expenditures must be recorded in the monthly meeting minutes of the licensed organization.

(d) Checks or authorizations for electronic fund transfers for expenditures of gross profits must be signed by at least two persons authorized by board rules to sign the checks or authorizations.

(e) Expenditures of gross profits from lawful gambling for local, state, and federal taxes as identified in section 349.12, subdivision 25, paragraph (a), clause (8), may be transferred electronically from the organization's gambling account directly to bank accounts identified by local, state, or federal agencies if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, and the date of the transaction.

(f) Expenditures of gross profits from lawful gambling for payments for lawful purpose expenditures and allowable expenses may be transferred electronically from the organization's gambling account directly to bank accounts identified by the vendor if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, the account number of the account into which the funds were transferred, and the date of the transaction.

(g) Expenditures of gross profits from lawful gambling for payroll compensation to an employee's account and for the payment of local, state, and federal withholding taxes may be transferred electronically to and from the account of a payroll processing firm provided that the firm:

(1) is currently registered with and meets the criteria of the Department of Revenue as a third-party bulk filer under section 290.92, subdivision 30;

(2) is able to provide proof of a third-party audit and an annual report and statement of financial condition;

(3) is able to provide evidence of a fidelity bond; and

(4) can provide proof of having been in business as a third-party bulk filer for the most recent three years.

(h) Electronic payments of taxes, lawful purpose expenditures, and allowable expenses are permitted only if they have been authorized by the membership, the organization maintains supporting documentation, and the expenditures can be verified.

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

Sec. 40. Minnesota Statutes 2010, section 349.19, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) A licensed organization must report monthly to the ~~Department of Revenue~~ board in an electronic format prescribed by the board and to its membership ~~monthly, or quarterly in the case of a licensed organization which does not report more than \$1,000 in gross receipts from lawful gambling in any calendar quarter,~~ on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling for each permitted premises. The organization must account for and report on each form of lawful gambling conducted. The ~~report~~ organization must include a reconciliation of the organization's profit carryover with its cash balance on hand. ~~If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately.~~

(b) The organization must report ~~annually to its membership and annually file with the board a financial summary report in a format prescribed by the board that identifies the organization's receipts and use of lawful gambling proceeds, including:~~ monthly to the commissioner of revenue as required under section 297E.06.

~~(1) gross receipts;~~

~~(2) prizes paid;~~

~~(3) allowable expenses;~~

~~(4) lawful purpose expenditures, including annual totals for types of charitable contributions and all taxes and fees as per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18);~~

~~(5) the percentage of annual gross profits used for charitable contributions; and~~

~~(6) the percentage of annual gross profits used for all taxes and fees as per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18).~~

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

Sec. 41. Minnesota Statutes 2010, section 349.19, subdivision 10, is amended to read:

Subd. 10. **Pull-tab records.** (a) The board shall by rule require a licensed organization to require each winner of a paper pull-tab prize of \$50 or more to present identification in the form of a driver's license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracking of the winner. The rule must require the organization to retain winning paper pull-tabs of \$50 or more, and the identification of the winner of the pull-tab, for 3-1/2 years.

(b) An organization must maintain separate cash banks for each deal of paper pull-tabs unless (1) the licensed organization uses a pull-tab dispensing device, or (2) the organization uses a cash register, of a type approved by the board, which records all sales of paper pull-tabs by separate deals.

(c) The board shall:

(1) by rule adopt minimum technical standards for cash registers that may be used by organizations, and shall approve for use by organizations any cash register that meets the standards; and

(2) before allowing an organization to use a cash register that commingles receipts from several different paper pull-tab games in play, adopt rules that define how cash registers may be used and that establish a procedure for organizations to reconcile all pull-tab games in play at the end of each month.

Sec. 42. Minnesota Statutes 2010, section 349.211, subdivision 1a, is amended to read:

Subd. 1a. **Linked bingo prizes.** Prizes for a linked bingo game shall be limited as follows:

(1) no organization may contribute more than \$300 per linked bingo game to a linked bingo prize pool for linked bingo games played without electronic bingo devices, an organization may not contribute to a linked bingo game prize pool more than \$300 per linked bingo game per site;

(2) for linked bingo games played exclusively with electronic bingo devices, an organization may not contribute more than 85 percent of the gross receipts per permitted premises to a linked bingo game prize pool;

~~(2)~~ (3) no organization may award more than \$200 for a linked bingo game consolation prize. For purposes of this subdivision, a linked bingo game consolation prize is a prize awarded by an organization after a prize from the linked bingo prize pool has been won; ~~and~~

~~(3)~~ (4) for a progressive linked bingo game, if no player declares a valid bingo ~~within the~~ for a progressive prize or prizes based on a predetermined amount of bingo numbers called and posted win determination, a portion of the ~~prize is gross receipts may be~~ carried over to another ~~occasion game~~ until the accumulated progressive prize is won. The portion of the prize that is not carried over must be awarded to the first player or players who declares a valid bingo as additional numbers are called. If a valid bingo is declared ~~within the predetermined amount of bingo numbers called~~, the entire prize pool for that game is awarded to the winner. ~~The annual limit for progressive bingo game prizes contained in subdivision 2 must be reduced by the amount an organization contributes to progressive linked bingo games during the same calendar year.; and~~

(5) for linked bingo games played exclusively with electronic bingo devices, linked bingo prizes in excess of \$599 shall be paid by the linked bingo game provider to the player within three business days. Winners of linked bingo prizes in excess of \$599 will be given a receipt or claim voucher as proof of a win.

Sec. 43. **APPROPRIATION.**

(a) \$779,000 in fiscal year 2013 and \$779,000 in fiscal year 2014 and \$779,000 in fiscal year 2015 are appropriated from the lawful gambling regulation account in the special revenue fund to the Gambling Control Board for operating expenses related to the regulatory oversight of lawful gambling for electronic pull-tabs and electronic linked bingo.

(b) One-half of one percent of the revenue deposited in the general fund under Minnesota Statutes, section 16A.965, subdivision 8, paragraph (a), is appropriated to the commissioner of human services for the compulsive gambling treatment program established under Minnesota Statutes, section 245.98. One-half of one percent of the revenue deposited in the general fund under Minnesota Statutes, section 16A.965, subdivision 8, paragraph (a), is appropriated to the Gambling Control Board for a grant to the state affiliate recognized by the National Council on Problem Gambling to increase public awareness of problem gambling, education and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research relating to problem gambling. Money appropriated by this paragraph must supplement and must not replace existing state funding for these programs.

Sec. 44. **EFFECTIVE DATE.**

Except as otherwise explicitly provided, this article is effective the day following final enactment.

ARTICLE 6
MISCELLANEOUS

Section 1. Minnesota Statutes 2010, section 297A.71, is amended by adding a subdivision to read:

Subd. 44. **Building materials, capital projects.** Materials and supplies used or consumed in and equipment incorporated into the construction or improvement of a capital project funded partially or wholly under section 297A.9905 are exempt, provided that the project has a total construction cost of at least \$40,000,000 within a 24-month period. The tax on purchases exempt under this provision must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied and then refunded in the manner provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2013.

Sec. 2. Minnesota Statutes 2010, section 297A.75, as amended by Laws 2011, First Special Session chapter 7, article 3, sections 13 to 15, is amended to read:

297A.75 REFUND; APPROPRIATION.

Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following exempt items must be imposed and collected as if the sale were taxable and the rate under section 297A.62, subdivision 1, applied. The exempt items include:

- (1) capital equipment exempt under section 297A.68, subdivision 5;
- (2) building materials for an agricultural processing facility exempt under section 297A.71, subdivision 13;
- (3) building materials for mineral production facilities exempt under section 297A.71, subdivision 14;
- (4) building materials for correctional facilities under section 297A.71, subdivision 3;
- (5) building materials used in a residence for disabled veterans exempt under section 297A.71, subdivision 11;
- (6) elevators and building materials exempt under section 297A.71, subdivision 12;
- (7) building materials for the Long Lake Conservation Center exempt under section 297A.71, subdivision 17;
- (8) materials and supplies for qualified low-income housing under section 297A.71, subdivision 23;
- (9) materials, supplies, and equipment for municipal electric utility facilities under section 297A.71, subdivision 35;
- (10) equipment and materials used for the generation, transmission, and distribution of electrical energy and an aerial camera package exempt under section 297A.68, subdivision 37;
- (11) tangible personal property and taxable services and construction materials, supplies, and equipment exempt under section 297A.68, subdivision 41;
- (12) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, clause (11);

(13) materials, supplies, and equipment for construction or improvement of projects and facilities under section 297A.71, subdivision 40;

(14) materials, supplies, and equipment for construction or improvement of a meat processing facility exempt under section 297A.71, subdivision 41;

(15) materials, supplies, and equipment for construction, improvement, or expansion of an aerospace defense manufacturing facility exempt under section 297A.71, subdivision 42; ~~and~~

(16) enterprise information technology equipment and computer software for use in a qualified data center exempt under section 297A.68, subdivision 42; and

(17) materials, supplies, and equipment for qualifying capital projects under section 297A.71, subdivision 44.

Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must be paid to the applicant. Only the following persons may apply for the refund:

(1) for subdivision 1, clauses (1) to (3), the applicant must be the purchaser;

(2) for subdivision 1, clauses (4) and (7), the applicant must be the governmental subdivision;

(3) for subdivision 1, clause (5), the applicant must be the recipient of the benefits provided in United States Code, title 38, chapter 21;

(4) for subdivision 1, clause (6), the applicant must be the owner of the homestead property;

(5) for subdivision 1, clause (8), the owner of the qualified low-income housing project;

(6) for subdivision 1, clause (9), the applicant must be a municipal electric utility or a joint venture of municipal electric utilities;

(7) for subdivision 1, clauses (10), (11), (14), (15), and (16), the owner of the qualifying business; and

(8) for subdivision 1, clauses (12) ~~and~~ (13), and (17), the applicant must be the governmental entity that owns or contracts for the project or facility.

Subd. 3. **Application.** (a) The application must include sufficient information to permit the commissioner to verify the tax paid. If the tax was paid by a contractor, subcontractor, or builder, under subdivision 1, clause (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), ~~or~~ (16), or (17), the contractor, subcontractor, or builder must furnish to the refund applicant a statement including the cost of the exempt items and the taxes paid on the items unless otherwise specifically provided by this subdivision. The provisions of sections 289A.40 and 289A.50 apply to refunds under this section.

(b) An applicant may not file more than two applications per calendar year for refunds for taxes paid on capital equipment exempt under section 297A.68, subdivision 5.

(c) Total refunds for purchases of items in section 297A.71, subdivision 40, must not exceed \$5,000,000 in fiscal years 2010 and 2011. Applications for refunds for purchases of items in sections 297A.70, subdivision 3, paragraph (a), clause (11), and 297A.71, subdivision 40, must not be filed until after June 30, 2009.

Subd. 4. **Interest.** Interest must be paid on the refund at the rate in section 270C.405 from 90 days after the refund claim is filed with the commissioner for taxes paid under subdivision 1.

Subd. 5. **Appropriation.** The amount required to make the refunds is annually appropriated to the commissioner.

EFFECTIVE DATE. This section is effective for sales and purchases made after

Sec. 3. **[297A.9905] USE OF LOCAL TAX REVENUES BY CITIES OF THE FIRST CLASS.**

(a) Notwithstanding section 297A.99, or other general or special law or charter provision, if the revenues from any local tax imposed on retail sales under special law by a city of the first class exceeds the amount needed to fund the uses authorized in the special law, the city may expend the excess revenue from the tax to fund other capital projects of regional significance.

(b) For purposes of this section:

(1) "city of the first class" has the meaning given in section 410.01; and

(2) "capital project of regional significance" means construction, expansion, or renovation of a sports facility or convention or civic center, that has a construction cost of at least \$40,000,000.

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

Sec. 4. **USE OF THE STADIUM.**

Subdivision 1. **Amateur sports use.** The lessee of the stadium must make the facilities of the stadium available to the Minnesota Amateur Sports Commission up to ten days each year on terms satisfactory to the commission for amateur sports activities consistent with Minnesota Statutes, chapter 240A, each year during the time the bonds issued pursuant to this act are outstanding. The commission must negotiate in good faith and may be required to pay no more than actual out-of-pocket expenses for the time it uses the stadium.

Subd. 2. **High school league.** The lessee of the stadium must make the facilities of the stadium available for use by the Minnesota State High School League for at least seven days each year for high school soccer and football tournaments. The lessee of the stadium must provide, and may not charge the league a fee for, this use, including security, ticket takers, custodial or cleaning services, or other similar services in connection with this use.

ARTICLE 7
STADIUM BLINK-ON FUNDING

Section 1. **[16A.1524] BACKUP REVENUES; FOOTBALL STADIUM FUNDING.**

(a) If the commissioner of management and budget determines that the amount of revenues under section 16A.965, subdivision 8, paragraph (a), for the next fiscal year will be less than the amounts specified in section 16A.965, subdivision 8, paragraph (b), for that fiscal year, the commissioner may implement the revenue options authorized in this article. If the commissioner determines to exercise the authority under this section for a fiscal year, the commissioner must implement the revenue options, as necessary, in the following order:

(1) a tax on luxury boxes as provided under section 473J.14, paragraph (a), clause (1);

(2) a sports-themed lottery game under section 349A.20;

(3) excess revenue from Hennepin County tax as provided under section 473.757, subdivision 11, paragraph (d); and

(4) an admissions tax, as provided under section 473J.14, paragraph (a), clause (2).

(b) Revenue raised under the authority granted by this section must be deposited in the general fund.

(c) If the commissioner determines to implement one or more of the revenue options authorized by this section, each subsequent year the commissioner must determine if the revenue is needed and will be imposed and collected for the next fiscal year. If the commissioner determines that one or more revenue options implemented for a fiscal year are not needed for a subsequent fiscal year, the commissioner must terminate them in the reverse order they were required to be implemented by paragraph (a) with the last option implemented terminated first and so forth.

(d) Before implementing a revenue source authorized under this section, the commissioner must report the intent to do so to the Legislative Commission on Planning and Fiscal Policy. The commissioner must inform the commission of determinations to continue or discontinue each revenue source for a subsequent fiscal year.

Sec. 2. **[349A.20] STADIUM, SPORTS-THEMED GAME.**

The State Lottery shall conduct a game based on stadium or professional sports themes to generate a minimum of \$2,100,000 in additional revenue for the fiscal year for the general fund.

EFFECTIVE DATE. This section is effective pursuant to the authority granted under section 1, on the day following final enactment.

Sec. 3. Minnesota Statutes 2011 Supplement, section 473.757, subdivision 11, is amended to read:

Subd. 11. **Uses of tax.** (a) Revenues received from the tax imposed under subdivision 10 may be used:

(1) to pay costs of collection;

(2) to pay or reimburse or secure the payment of any principal of, premium, or interest on bonds issued in accordance with Laws 2006, chapter 257, section 12;

(3) to pay costs and make expenditures and grants described in this section, including financing costs related to them;

(4) to maintain reserves for the foregoing purposes deemed reasonable and appropriate by the county;

(5) to pay for operating costs of the ballpark authority other than the cost of operating or maintaining the ballpark; and

(6) to make expenditures and grants for youth activities and amateur sports and extension of library hours as described in subdivision 2;

and for no other purpose.

(b) Revenues from the tax designated for use under paragraph (a), clause (5), must be deposited in the operating fund of the ballpark authority.

(c) After completion of the ballpark and public infrastructure, the tax revenues not required for current payments of the expenditures described in paragraph (a), clauses (1) to (6), shall be used to (i) redeem or defease the bonds and (ii) prepay or establish a fund for payment of future obligations under grants or other commitments for future expenditures which are permitted by this section. Upon the redemption or defeasance of the bonds and the establishment of reserves adequate to meet such future obligations, the taxes shall terminate and shall not be reimposed. For purposes of this subdivision, "reserves adequate to meet such future obligations" means a reserve that does not exceed the net present value of the county's obligation to make grants under paragraph (a), clauses (5) and (6), and to fund the reserve for capital improvements required under section 473.759, subdivision 3, for the 30-year period beginning on the date of the original issuance of the bonds, less those obligations that the county has already paid. Each fiscal year revenues available for use under this paragraph must be accumulated and may not be expended under this paragraph until 15 days after the close of the county's fiscal year, provided that the county has not received a notice under paragraph (d).

(d) Notwithstanding the authority to use revenues under paragraph (c), upon notification by the commissioner of management and budget under section 16A.1524 for a state fiscal year, the county must pay any revenues that would be available under paragraph (c) to the commissioner for that state fiscal year as provided under section 16A.1524.

EFFECTIVE DATE. This section is effective the day following final enactment without local approval by Hennepin County under Minnesota Statutes, section 645.023, subdivision 1, paragraph (c).

Sec. 4. **[473J.14] ADMISSIONS TAX.**

(a) Upon notification by the commissioner of management and budget under section 16A.1524, the commission shall by resolution impose and maintain a ten percent tax on either or both of:

(1) the gross receipts received for the rental of box seats, suites, sky boxes, and similar in the NFL stadium; or

(2) the granting, issuance, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to professional sporting events at the NFL stadium.

(b) Each tax must be imposed in the years specified by the commissioner of management and budget. The suites rental tax under paragraph (a), clause (1), applies to the gross receipts, as defined under section 297A.61, received by the seller, as defined in section 297A.61, and is a debt owed by the seller to the commission. The admission tax under paragraph (a), clause (2), must be stated and charged separately from the sales price so far as practicable and the grantor, seller, or distributor must collect the tax from the person admitted and the tax is a debt from that person to the grantor, issuer, seller, or distributor, and the tax required to be collected is a debt owed by the grantor, issuer, seller, or distributor to the commission. Any tax imposed under this section is recoverable at law by the commission from the grantor, issuer, seller, or distributor in the same manner as other debts. Every person granting, issuing, selling, or distributing tickets for taxable admissions or renting boxes, suites, or similar may be required, as provided in resolutions of the commission, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay the penalties for nonpayment and interest on late payments, as the commission deems necessary or expedient to assure the prompt and uniform collection of either or both of the taxes.

(c) The commission shall remit the proceeds of any taxes imposed under this section to the commissioner of management and budget for deposit in the state's general fund.

(d) Notwithstanding any other provisions of this section, the imposition of an admission tax upon a national superbowl football game conducted at the NFL stadium is discretionary with the commission.

ARTICLE 8
GAMBLING TAX CHANGES

Section 1. Minnesota Statutes 2010, section 297E.01, subdivision 7, is amended to read:

Subd. 7. **Gambling product.** "Gambling product" means bingo hard cards, bingo paper sheets, ~~or~~ linked bingo paper sheets, or electronic linked bingo games; pull-tabs; electronic pull-tab games; tipboards; paddle tickets and paddle ticket cards; raffle tickets; or any other ticket, card, board, placard, device, or token that represents a chance, for which consideration is paid, to win a prize.

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

Sec. 2. Minnesota Statutes 2010, section 297E.01, subdivision 8, is amended to read:

Subd. 8. **Gross receipts.** "Gross receipts" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo hard cards ~~and~~, paper sheets, linked bingo paper sheets, and electronic linked bingo games before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab, electronic pull-tab games, and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and paddle tickets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.18, subdivision 3.

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

Sec. 3. Minnesota Statutes 2010, section 297E.01, subdivision 9, is amended to read:

Subd. 9. **Ideal gross.** "Ideal gross" means the total amount of receipts that would be received if every individual ticket in the pull-tab, electronic pull-tab games or tipboard deal, paddlewheel game, and raffle ticket was sold at its face value. In the calculation of ideal gross and prizes, a free play ticket pull-tab or electronic pull-tab shall be valued at face value. Ideal gross also means the total amount of receipts that would be received if every bingo paper sheet, linked bingo paper sheet, and electronic linked bingo games were sold at face value.

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

Sec. 4. Minnesota Statutes 2010, section 297E.02, subdivision 1, is amended to read:

Subdivision 1. **Imposition.** A tax is imposed on all lawful gambling other than (1) paper or electronic pull-tab deals or games; (2) tipboard deals or games; ~~and~~ (3) electronic linked bingo; and (4) items listed in section 297E.01, subdivision 8, clauses (4) and (5), at the rate of 8.5 percent on the gross receipts as defined in section 297E.01, subdivision 8, less prizes actually paid. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.62 and all local taxes and license fees except a fee authorized under section 349.16, subdivision 8, or a tax authorized under subdivision 5.

The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling.

EFFECTIVE DATE. This section is effective for games reported as played after June 30, 2012.

Sec. 5. Minnesota Statutes 2010, section 297E.02, subdivision 3, is amended to read:

Subd. 3. **Collection; disposition.** (a) ~~Taxes imposed by this section other than in subdivision 4 are due and payable to the commissioner when the gambling tax return is required to be filed. Taxes imposed by subdivision 4 are due and payable to the commissioner on or before the last business day of the month following the month in which the taxable sale was made.~~ Distributors must file their monthly sales figures with the commissioner on a form prescribed by the commissioner. Returns covering the taxes imposed under this section must be filed with the commissioner on or before the 20th day of the month following the close of the previous calendar month. The commissioner may require that the returns be filed via magnetic media or electronic data transfer. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the commissioner of management and budget for deposit in the general fund.

(b) The sales tax imposed by chapter 297A on the sale of the pull-tabs and tipboards by the distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

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

Sec. 6. Minnesota Statutes 2010, section 297E.02, subdivision 6, is amended to read:

Subd. 6. **Combined net receipts tax.** In addition to the taxes imposed under subdivisions 1 and 4, a tax is imposed on the combined receipts of the organization. As used in this section, "combined net receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of bingo, raffles, and paddle wheels, as defined in section 297E.01, subdivision 8, and less the net prizes actually paid, other than prizes actually paid for bingo, raffles, and paddle wheels, for the fiscal year. The combined net receipts of an organization are subject to a tax computed according to the following schedule:

If the combined <u>net</u> receipts for the fiscal year are:	The tax is:
Not over \$500,000 <u>\$87,500</u>	zero <u>6.89 percent</u>
Over \$500,000 <u>\$87,500</u> , but not over \$700,000 <u>\$122,500</u>	1.7 <u>\$6,029 plus 13.78</u> percent of the amount over \$500,000 <u>\$87,500</u> , but not over \$700,000 <u>\$122,500</u>

Over \$700,000 <u>\$122,500</u> , but not over \$900,000 <u>\$157,500</u>	\$3,400 <u>\$10,852</u> plus 3.4 <u>20.67</u> percent of the amount over \$700,000 <u>\$122,500</u> , but not over \$900,000 <u>\$157,500</u>
Over \$900,000 <u>\$157,500</u>	\$10,200 <u>\$18,086</u> plus 5.4 <u>27.56</u> percent of the amount over \$900,000 <u>\$157,500</u>

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

Sec. 7. Minnesota Statutes 2010, section 297E.02, is amended by adding a subdivision to read:

Subd. 6a. **Unaccounted games.** If a licensed distributor cannot account for a pull-tab game, an electronic pull-tab game, a tipboard deal, paddletickets, an electronic linked bingo game, bingo paper sheets, or linked bingo paper sheets, the distributor must report the sheets or games to the commissioner as lost and remit a tax of six percent on the ideal gross of the sheets or games.

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

Sec. 8. Minnesota Statutes 2010, section 297E.02, subdivision 7, is amended to read:

Subd. 7. **Untaxed gambling product.** (a) In addition to penalties or criminal sanctions imposed by this chapter, a person, organization, or business entity possessing or selling a pull-tab, electronic pull-tab game or tipboard upon which the tax imposed by ~~subdivision 4 this chapter~~ has not been paid is liable for a tax of six percent of the ideal gross of each pull-tab, electronic pull-tab game, or tipboard. The tax on a partial deal must be assessed as if it were a full deal.

(b) In addition to penalties and criminal sanctions imposed by this chapter, a person not licensed by the board who conducts bingo, linked bingo, electronic linked bingo, raffles, or paddle wheel games is liable for a tax of six percent of the gross receipts from that activity.

(c) The tax must be assessed by the commissioner. An assessment must be considered a jeopardy assessment or jeopardy collection as provided in section 270C.36. The commissioner shall assess the tax based on personal knowledge or information available to the commissioner. The commissioner shall mail to the taxpayer at the taxpayer's last known address, or serve in person, a written notice of the amount of tax, demand its immediate payment, and, if payment is not immediately made, collect the tax by any method described in chapter 270C, except that the commissioner need not await the expiration of the times specified in chapter 270C. The tax assessed by the commissioner is presumed to be valid and correctly determined and assessed. The burden is upon the taxpayer to show its incorrectness or invalidity. The tax imposed under this subdivision does not apply to gambling that is exempt from taxation under subdivision 2.

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

Sec. 9. Minnesota Statutes 2010, section 297E.02, subdivision 10, is amended to read:

Subd. 10. **Refunds; appropriation.** A person who has, under this chapter, paid to the commissioner an amount of tax for a period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of the excess. The amount necessary to pay the refunds under this subdivision ~~and subdivision 4, paragraph (4)~~, is appropriated from the general fund to the commissioner.

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

Sec. 10. Minnesota Statutes 2010, section 297E.02, subdivision 11, is amended to read:

Subd. 11. ~~Unplayed or Defective pull-tabs or tipboards~~ **gambling products.** ~~If a deal of pull-tabs or tipboards registered with the board or bar coded in accordance with this chapter and chapter 349 and upon which the tax imposed by subdivision 4 has been paid is returned unplayed to the distributor, the commissioner shall allow a refund of the tax paid.~~

If a defective deal registered with the board or bar coded in accordance with this chapter and chapter 349 ~~and upon which the taxes have been paid~~ is returned to the manufacturer, the distributor shall submit to the commissioner of revenue certification from the manufacturer that the deal was returned and in what respect it was defective. The certification must be on a form prescribed by the commissioner and must contain additional information the commissioner requires.

The commissioner may require ~~that no refund~~ under this subdivision ~~be made unless the~~ that all defective and returned pull-tabs or tipboards have been, paddle tickets, paper bingo sheets, and linked bingo paper sheets be set aside for inspection by the commissioner's employee.

Reductions in previously paid taxes authorized by this subdivision must be made when and in the manner prescribed by the commissioner.

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

Sec. 11. Minnesota Statutes 2010, section 297E.02, is amended by adding a subdivision to read:

Subd. 12. **Rebate.** Each fiscal year in which an amount is available under section 16A.695, subdivision 8, paragraph (d), for the payment of rebates, the commissioner shall make a rebate payment to each organization or distributor under this chapter in proportion to its liability for tax for the preceding year, except no rebate must be paid to an entity if its entitlement is less than \$25. The commissioner shall pay the rebate by August 15 following the close of the fiscal year.

Sec. 12. Minnesota Statutes 2010, section 297E.13, subdivision 5, is amended to read:

Subd. 5. **Untaxed gambling equipment.** It is a gross misdemeanor for a person to possess gambling equipment for resale in this state that has not been stamped or bar-coded in accordance with this chapter and chapter 349 and upon which the taxes imposed by chapter 297A or section 297E.02, ~~subdivision 4,~~ have not been paid. The director of alcohol and gambling enforcement or the commissioner or the designated inspectors and employees of the director or commissioner may seize in the name of the state of Minnesota any unregistered or untaxed gambling equipment.

EFFECTIVE DATE. This section is effective for actions occurring after June 30, 2012.

Sec. 13. **REPEALER.**

Minnesota Statutes 2010, section 297E.02, subdivision 4, is repealed.

EFFECTIVE DATE. This section is effective for games sold after June 30, 2012.

ARTICLE 9
TIPBOARDS

Section 1. Minnesota Statutes 2010, section 349.12, subdivision 34, is amended to read:

Subd. 34. **Tipboard.** "Tipboard" means a board, placard or other device containing a seal that conceals the winning number or symbol, and that serves as the game flare for a tipboard game. A sports-themed tipboard is a board, placard, or other device that contains a grid of predesignated numbers for which the winning numbers are determined in whole or in part by the numerical outcome of one or more professional sporting events, serves as the game flare for player registration, but is not required to contain a seal. For a sports-themed tipboard, the winning numbers must be determined solely by the numerical outcome.

Sec. 2. Minnesota Statutes 2010, section 349.12, subdivision 35, is amended to read:

Subd. 35. **Tipboard ticket.** "Tipboard ticket" is a single folded or banded ticket, or multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners. For a sports-themed tipboard, the tipboard ticket contains a set of numbers used to determine the winner based on the outcome of a professional sporting event.

Sec. 3. Minnesota Statutes 2010, section 349.151, is amended by adding a subdivision to read:

Subd. 4e. **Sports-themed tipboard rules.** The board may adopt rules for the conduct of tipboards for which the winning numbers are determined in whole or in part by the numerical outcome of one or more professional sporting events. The rules must provide for operation procedures, internal control standards, posted information, records, and reports. The rules must provide for the award of prizes, method of payout, wagers, determination of winners, and the specifications of these tipboards.

Sec. 4. Minnesota Statutes 2010, section 349.1711, subdivision 1, is amended to read:

Subdivision 1. **Sale of tickets.** (a) Tipboard games must be played using only tipboard tickets that are either (1) attached to a placard and arranged in columns or rows, or (2) separate from the placard and contained in a receptacle while the game is in play. The placard serves as the game flare.

(b) Except for a sports-themed tipboard, the placard must contain a seal that conceals the winning number or symbol. When a tipboard ticket is purchased and opened from a game containing more than 32 tickets, each player having a tipboard ticket with one or more predesignated numbers or symbols must sign the placard at the line indicated by the number or symbol on the tipboard ticket.

Sec. 5. Minnesota Statutes 2010, section 349.1711, subdivision 2, is amended to read:

Subd. 2. **Determination of winners.** When the predesignated numbers or symbols have all been purchased, or all of the tipboard tickets for that game have been sold, the seal must be removed to reveal a number or symbol that determines which of the predesignated numbers or symbols is the winning number or symbol. A tipboard may also contain consolation winners, or winning chances that are determined in whole or in part by the numerical outcome of one or more professional sporting events, that need not be determined by the use of the seal.

Sec. 6. Minnesota Statutes 2010, section 349.211, subdivision 2c, is amended to read:

Subd. 2c. **Tipboard prizes.** (a) The maximum prize which may be awarded for a tipboard ticket is \$599 for \$2 and under tipboard tickets, \$899 for \$3 tipboard tickets, \$1,199 for \$4 tipboard tickets, and \$1,499 for \$5 tipboard tickets, not including any cumulative or carryover prizes. Cumulative or carryover prizes in tipboard games shall not exceed \$2,500. An organization may not sell any tipboard ticket for more than \$5.

(b) For sports-themed tipboards, the total prize payout may not exceed the amount in section 349.2113, and each chance or ticket may not be sold for more than \$10."

Delete the title and insert:

"A bill for an act relating to stadiums; providing for a new National Football League stadium in Minnesota; establishing a Minnesota Stadium Authority; authorizing the sale and issuance of state appropriation bonds; abolishing the Metropolitan Sports Facilities Commission; providing for use of certain local tax revenue; providing for electronic pull-tab games, electronic linked bingo games, and sports-themed tipboard games; providing for the conditional imposition of certain taxes and collection of other revenues; modifying certain rates of tax on lawful gambling; appropriating money; amending Minnesota Statutes 2010, sections 3.971, subdivision 6; 3.9741, by adding a subdivision; 13.55, subdivision 1; 297A.71, by adding subdivisions; 297A.75, as amended; 297E.01, subdivisions 7, 8, 9; 297E.02, subdivisions 1, 3, 6, 7, 10, 11, by adding subdivisions; 297E.13, subdivision 5; 349.12, subdivisions 3b, 3c, 5, 6a, 12a, 18, 25b, 25c, 25d, 29, 31, 32, 34, 35, by adding subdivisions; 349.13; 349.151, subdivisions 4b, 4c, by adding subdivisions; 349.155, subdivisions 3, 4; 349.161, subdivisions 1, 5; 349.162, subdivision 5; 349.163, subdivisions 1, 5, 6; 349.1635, subdivisions 2, 3, by adding a subdivision; 349.165, subdivision 2; 349.17, subdivisions 6, 7, 8, by adding a subdivision; 349.1711, subdivisions 1, 2; 349.1721; 349.18, subdivision 1; 349.19, subdivisions 2, 3, 5, 10; 349.211, subdivisions 1a, 2c; 352.01, subdivision 2a; 473.121, subdivision 5a; 473.164; 473.565, subdivision 1; Minnesota Statutes 2011 Supplement, sections 10A.01, subdivision 35; 340A.404, subdivision 1; 473.757, subdivision 11; Laws 1986, chapter 396, sections 4, as amended; 5, as amended; proposing coding for new law in Minnesota Statutes, chapters 16A; 297A; 349A; proposing coding for new law as Minnesota Statutes, chapter 473J; repealing Minnesota Statutes 2010, sections 297E.02, subdivision 4; 473.551; 473.552; 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 473.556, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17; 473.561; 473.564, subdivisions 2, 3; 473.572; 473.581; 473.592, subdivision 1; 473.595; 473.598; 473.599; 473.76."

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

The report was adopted.

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

S. F. No. 946, A bill for an act relating to education; establishing a pilot project to examine how school districts might operate jointly to provide innovative delivery of programs and activities and share resources.

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

Page 2, line 15, after the semicolon, insert "and"

Page 2, line 16, after the second "and" insert "district employees continue to"

Page 3, after line 5, insert:

"Subd. 4. Existing resources. The additional duties prescribed to the commissioner of education under subdivisions 2 and 3 must be funded out of existing resources."

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. 1543, A bill for an act relating to human services; providing medical assistance coverage for community paramedic services; amending Minnesota Statutes 2010, section 256B.0625, by adding a subdivision.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 518 and 2065 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 946 and 1543 were read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2083, A bill for an act relating to education; providing funding and modifying certain early, adult, and kindergarten through grade 12 education provisions, including general education, education excellence, special programs, facilities and technology, nutrition and accounting, libraries, and prevention; providing education forecast adjustments; appropriating money; amending Minnesota Statutes 2010, sections 122A.40, subdivisions 10, 11, 13, 19; 122A.41, subdivisions 14, 15; 123A.75, subdivision 1; 123B.41, by adding a subdivision; 123B.42; 123B.43; 124D.111, subdivision 3; 124D.518, subdivision 3, by adding a subdivision; 124D.531, by adding a subdivision; 126C.10, subdivision 28; Minnesota Statutes 2011 Supplement, sections 122A.245, subdivision 1; 122A.41, subdivision 6; 123B.41, subdivision 2; 124D.11, subdivision 9; 127A.33; 127A.45, subdivision 2; Laws 2011, First Special Session chapter 11, article 1, section 36, subdivisions 2, 3, 4, 5, 6, 7, 10; article 2, section 50, subdivisions 2, 3, 4, 5, 6, 7, 9; article 3, section 11, subdivisions 2, 3, 4, 5, 6; article 4, section 10, subdivisions 2, 3, 4, 6; article 5, section 12, subdivisions 2, 3, 4; article 6, section 2, subdivisions 2, 3, 5; article 7, section 2, subdivisions 2, 3, 4; article 8, section 2, subdivisions 2, 3; article 9, section 3, subdivision 2; repealing Minnesota Statutes 2010, sections 124D.135, subdivisions 8, 9; 124D.16, subdivisions 6, 7; 124D.20, subdivisions 11, 12.

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

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2337, A bill for an act relating to financing of state and local government; making changes to individual income, corporate franchise, property, sales and use, mineral, liquor, aggregate materials, local, and other taxes and tax-related provisions; changing and providing income and franchise tax credits, exemptions, and deductions; providing for taxation of foreign operating companies; providing a corporate tax benefit transfer program; changing certain mining tax rates and allocation of tax proceeds; changing property tax interest, credits, and exemptions, and providing for use of a local levy; phasing out the state general levy; modifying the renter property tax refund and providing a supplemental targeting refund; modifying city aid payments; modifying tax increment financing district requirements; authorizing, changing, and extending tax increment financing districts in certain local governments; changing sales and use tax payment requirements and changing and providing exemptions; modifying use of revenues and authorizing extension of certain sales and lodging taxes for certain cities; changing liquor tax reporting and credits; allocating funds to border city enterprise zones; authorizing certain local governments to issue public debt; establishing a truth in taxation task force; establishing a tax reform action committee; establishing a greater Minnesota internship program; requiring reports; requiring a funds transfer appropriating money; amending Minnesota Statutes 2010, sections 116J.8737, subdivisions 5, 8, by adding a subdivision; 273.113; 275.025, subdivisions 1, 2, 4; 279.03, subdivisions 1a, 2; 289A.08, subdivision 3; 289A.20, subdivision 4; 290.01, subdivisions 19d, 29; 290.06, by adding subdivisions; 290.068, subdivision 1; 290.17, subdivision 4; 290.21, subdivision 4; 290A.04, subdivision 2a, by adding a subdivision; 290A.23, subdivision 1; 290B.07; 290B.08, subdivision 2; 297A.68, subdivision 5; 297A.70, subdivision 4, by adding a subdivision; 297A.8155; 297G.04, subdivision 2; 298.018, subdivision 1; 298.28, subdivision 4; 298.75, by adding a subdivision; 469.169, by adding a subdivision; 477A.011, subdivision 36; 477A.013, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 116J.8737, subdivisions 1, 2; 290.01, subdivision 19c; 290A.03, subdivisions 11, 13; 290A.04, subdivision 4; 298.01, subdivision 3; 298.015, subdivision 1; 298.28, subdivision 2; 469.176, subdivisions 4c, 4m; 469.1763, subdivision 2; 477A.013, subdivision 9; Laws 1971, chapter 773, section 1, subdivision 2, as amended; Laws 1988, chapter 645, section 3, as amended; Laws 1998, chapter 389, article 8, section 43, subdivision 3, as amended; Laws 2002, chapter 377, article 3, section 25, as amended; Laws 2003, chapter 127, article 12, section 28; Laws 2005, First Special Session chapter 3, article 5, section 37, subdivisions 2, 4; Laws 2008, chapter 366, article 5, section 34, as amended; article 7, section 19, subdivision 3, as amended; Laws 2010, chapter 389, article 1, section 12; proposing coding for new law in Minnesota Statutes, chapters 116J; 136A; repealing Minnesota Statutes 2010, section 290.0921, subdivision 7; Minnesota Statutes 2011 Supplement, section 289A.60, subdivision 31; Laws 2009, chapter 88, article 4, section 23, as amended.

The Senate has appointed as such committee:

Senators Ortman, Michel, Rosen, Limmer and Chamberlain.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2244, A bill for an act relating to the permanent school fund; changing the Permanent School Fund Advisory Committee into a legislative commission; establishing a permanent school fund board; granting the board authority to employ a director to oversee, manage, and administer school trust lands; amending Minnesota Statutes

2010, sections 16A.06, subdivision 11; 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.12, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; 127A.30; 477A.11, subdivisions 3, 4, by adding a subdivision; 477A.12, subdivisions 2, 3; Minnesota Statutes 2011 Supplement, section 477A.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 127A.

CAL R. LUDEMAN, Secretary of the Senate

O'Driscoll moved that the House refuse to concur in the Senate amendments to H. F. No. 2244, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

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

Senators Nelson, Olson and Stumpf.

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

CAL R. LUDEMAN, Secretary of the Senate

Myhra moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1528. The motion prevailed.

Mr. Speaker:

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

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

Senators Gerlach, Michel, Hall, Howe and Reinert.

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

CAL R. LUDEMAN, Secretary of the Senate

Thissen moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2392. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 753, 1678, 1880, 2060, 2114 and 2224.

COLEEN J. PACHECO, First Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 753, A bill for an act relating to health occupations; modifying provisions for licensure of social workers; changing provisions for alcohol and drug counselors and licensed professional counseling; setting certain fees; amending Minnesota Statutes 2010, sections 13.383, subdivision 11a; 148B.5301, subdivisions 1, 4, by adding a subdivision; 148B.54, subdivisions 2, 3; 148E.055, subdivision 1; 148E.060, subdivisions 1, 2, 3, 5, by adding a subdivision; 148E.065, subdivisions 2, 4, 5, by adding subdivisions; 148E.120; 148E.195, subdivision 2, by adding a subdivision; 148E.280; proposing coding for new law in Minnesota Statutes, chapter 148E; proposing coding for new law as Minnesota Statutes, chapter 148F; repealing Minnesota Statutes 2010, sections 148C.01, subdivisions 1, 1a, 2, 2a, 2b, 2c, 2d, 2e, 2f, 2g, 4, 4a, 5, 7, 9, 10, 11, 11a, 12, 12a, 13, 14, 15, 16, 17, 18; 148C.015; 148C.03, subdivisions 1, 4; 148C.0351, subdivisions 1, 3, 4; 148C.0355; 148C.04, subdivisions 1, 2, 3, 4, 5a, 6, 7; 148C.044; 148C.045; 148C.05, subdivisions 1, 1a, 5, 6; 148C.055; 148C.07; 148C.075; 148C.08; 148C.09, subdivisions 1, 1a, 2, 4; 148C.091; 148C.093; 148C.095; 148C.099; 148C.10, subdivisions 1, 2, 3; 148C.11; 148C.12, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15; 148E.065, subdivision 3; Minnesota Rules, parts 4747.0010; 4747.0020; 4747.0030, subparts 1, 2, 3, 4, 5, 7, 8, 9, 10, 15, 17, 18, 20, 21, 22, 24, 29; 4747.0040; 4747.0050; 4747.0060; 4747.0070, subparts 1, 2, 3, 6; 4747.0200; 4747.0400, subpart 1; 4747.0700; 4747.0800; 4747.0900; 4747.1100, subparts 1, 4, 5, 6, 7, 8, 9; 4747.1400, subparts 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13; 4747.1500; 6310.3100, subpart 2; 6310.3600; 6310.3700, subpart 1.

The bill was read for the first time.

Abeler moved that S. F. No. 753 and H. F. No. 1191, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1678, A bill for an act relating to public defenders; amending provisions related to public defender representation, appointment, and reimbursement obligations; outlining financial responsibility for public defender costs, cost for counsel in CHIPS cases, pretrial appeals costs, and standby counsel costs; amending Minnesota Statutes 2010, sections 244.052, subdivision 6; 257.69, subdivision 1; 260B.163, subdivision 4; 260B.331, subdivision 5; 260C.163, subdivision 3; 260C.331, subdivision 5; 609.115, subdivision 4; 609.131, subdivision 1; 611.14; 611.16; 611.17; 611.18; 611.20, subdivision 4; 611.25, subdivision 1; 611.26, subdivision 6; 611.27, subdivision 5, by adding a subdivision; repealing Minnesota Statutes 2010, section 611.20, subdivision 6.

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

S. F. No. 1880, A bill for an act relating to counties; providing a process for making certain county offices appointive in Dodge, Clay, Kandiyohi, and Jackson Counties.

The bill was read for the first time.

Quam moved that S. F. No. 1880 and H. F. No. 2359, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2060, A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, and omitted text and obsolete references; removing redundant, conflicting, and superseded provisions; making miscellaneous corrections to laws, statutes, and rules; amending Minnesota Statutes 2010, sections 5.25, subdivision 1; 12A.04; 12A.08, subdivision 1; 12A.09, subdivision 2; 12A.10, subdivision 1; 12A.12, subdivision 1; 13.383, subdivision 10; 13.6401, subdivision 2; 13.716, subdivision 1; 13.7191, by adding subdivisions; 13.805, subdivision 1; 60A.0811, subdivision 1; 62L.05, subdivision 13; 67A.40, subdivision 1; 82B.195, subdivision 1; 124D.09, subdivision 16; 129D.01; 144.291, subdivision 2; 144A.01, subdivision 4; 145.883, subdivision 1; 145A.12, subdivision 7; 145A.131, subdivision 3; 148D.061; 148D.062, subdivision 4; 148D.063, subdivision 2; 148E.100, subdivision 2a; 148E.105, subdivision 2a; 148E.106, subdivision 2a; 148E.110, subdivision 1a; 148E.115, subdivision 1a; 148E.130, subdivision 1a; 171.306, subdivision 7; 204B.04, subdivision 3; 204B.07, subdivision 1; 204B.11, subdivision 2; 204B.13, subdivision 6; 205.02, subdivision 2; 205A.06, subdivision 1; 214.01, subdivision 2; 216B.1694, subdivision 2; 245.4835, subdivision 1; 256B.0625, subdivision 19c; 256B.0755, subdivision 1; 256B.094, subdivision 6; 256B.69, subdivision 20; 256B.75; 256J.49, subdivision 4; 256L.12, subdivision 6; 270B.14, subdivision 11; 273.1392; 282.08; 297I.06, subdivision 2; 298.018; 299L.03, subdivision 1; 349.15, subdivision 2; 349.151, subdivisions 2, 4a; 349.166, subdivision 1; 352.01, subdivision 11; 352D.05, subdivision 3; 353.46, subdivision 6; 390.32, subdivision 9; 609.131, subdivision 2; Minnesota Statutes 2011 Supplement, sections 12A.05, subdivision 1; 12A.06, subdivision 1; 12A.07, subdivision 1; 60A.206, subdivision 3; 122A.41, subdivision 5; 123B.75, subdivision 5; 124D.10, subdivision 15; 127A.441; 176.307; 256B.021, subdivision 4; 268.035, subdivision 29; 270C.991, subdivision 4; 297A.668, subdivision 7; 297A.70, subdivision 3; 297A.75, subdivision 1; 349.15, subdivision 1; 353.6511, subdivisions 2, 7; 353.667, subdivision 8; 353.668, subdivision 8; 402A.35, subdivision 4; 515B.1-102; 515B.3-105; 515B.3-1151; Laws 2011, First Special Session chapter 8, article 7, section 19; repealing Minnesota Statutes 2010, sections 62Q.10; 148C.04, subdivision 3; 326B.82, subdivision 1; Laws 2011, chapter 22, article 1, section 1; Laws 2011, First Special Session chapter 9, article 6, section 87; Minnesota Rules, part 4604.0600, subpart 2.

The bill was read for the first time.

Wardlow moved that S. F. No. 2060 and H. F. No. 2770, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2114, A bill for an act relating to child support judgments; eliminating certain provisions providing for 20-year survival of judgments; amending Minnesota Statutes 2010, sections 541.04; 548.09, subdivision 1.

The bill was read for the first time.

Holberg moved that S. F. No. 2114 and H. F. No. 2476, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2224, A bill for an act relating to unemployment insurance; making federal conformity, policy, and other housekeeping changes; amending Minnesota Statutes 2010, sections 268.035, subdivision 12d; 268.042, subdivision 1; 268.044, subdivision 1; 268.046, subdivision 3; 268.047, subdivision 4; 268.051, subdivision 4;

268.069, subdivision 2; 268.085, subdivisions 5, 11, 15; 268.095, subdivision 6; 268.103, subdivision 1; 268.18, subdivisions 2, 2b, 4, 4a; 268.192, by adding a subdivision; 268.194, subdivision 1; Minnesota Statutes 2011 Supplement, sections 268.035, subdivision 20; 268.051, subdivision 5; 268.07, subdivision 2; 268.115, subdivision 1; 268.184, subdivisions 1, 1a; repealing Minnesota Rules, part 3315.0555, subparts 2, 3, 4.

The bill was read for the first time.

Gunther moved that S. F. No. 2224 and H. F. No. 2582, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALENDAR FOR THE DAY

Thissen was excused between the hours of 10:50 a.m. and 1:35 p.m.

S. F. No. 1750 was reported to the House.

Hancock moved to amend S. F. No. 1750, the second engrossment, as follows:

Page 3, delete section 4 and insert:

"Sec. 4. **92.80 CREATION OF CHILDREN'S STATE FOREST.**

Subdivision 1. **Purpose and scope.** (a) This section facilitates the expedited exchange of state-owned lands located within the Boundary Waters Canoe Area Wilderness.

(b) For land exchanges under this section, sections 94.342 to 94.347 apply only to the extent specified in this section.

Subd. 2. **Classes of land; definitions.** The classes of state land that may be involved in an expedited exchange under this section are:

(1) school trust land as defined in section 92.025;

(2) university land granted to the state by acts of Congress;

(3) all other lands acquired by the state in any manner and under the control of the commissioner of natural resources; and

(4) all lands acquired by the state through tax forfeiture, held subject to a trust in favor of the taxing districts, and under the control of county authorities for classification, appraisal, and sale.

Subd. 3. **Priority.** An exchange of state land under this section shall give priority to exchanges that provide the most opportunity for revenue generation for the permanent school fund, and priority shall be given to lands within the Superior National Forest in the Mesabi Purchase Unit in St. Louis County and in the following townships in St. Louis County:

(1) Township 59 North, Range 14 West;

(2) Township 59 North, Range 13 West;

(3) Township 60 North, Range 13 West; and

(4) Township 60 North, Range 12 West.

Subd. 4. **Valuation of land.** (a) In an exchange of school trust land, university land, or other land under the control of the commissioner of natural resources for land owned by the United States, the examination and value determination of the land shall be done in a manner as agreed to between the commissioner and the authorized representative of the United States.

(b) In an exchange of tax-forfeited land for land owned by the United States, the examination and value determination shall be done in a manner as agreed to between the county board and the authorized representative of the United States.

(c) Notwithstanding section 94.343 or any other law to the contrary, all lands exchanged under this section shall be exchanged for an equal amount of acres of land and shall, through exchanges that reunite mineral rights with surface ownership and other means, provide as close to an equal land value exchange as possible.

Subd. 5. **Title.** Title to the land must be examined to the extent necessary for the parties to determine that the title is good, with any encumbrances identified. The parties to the exchange may use title insurance to aid in the determination.

Subd. 6. **Approval by Land Exchange Board.** In accordance with the Minnesota Constitution, article XI, section 10, all expedited land exchanges under this section require the unanimous approval of the Land Exchange Board.

Subd. 7. **Conveyance.** (a) Conveyance of school trust land, university land, or other land under the control of the commissioner of natural resources shall be made by deed executed by the commissioner in the name of the state. Conveyance of tax-forfeited land shall be by a deed executed by the commissioner of revenue in the name of the state.

(b) School trust land, university land, and other land under the control of the commissioner of natural resources and given in exchange are subject to reservations under section 94.343, subdivision 4, and the Minnesota Constitution, article XI, section 10. Tax-forfeited land given in exchange is subject to reservations under section 94.344, subdivision 4, and the Minnesota Constitution, article XI, section 10.

(c) All deeds shall be recorded or registered in the county in which the lands lie.

Subd. 8. **Land status.** Except as provided under section 92.81, land received in exchange for school trust land, university land, or other land under the control of the commissioner of natural resources is subject to the same trust, if any, and otherwise has the same status as the land given in exchange. Land received in exchange for tax-forfeited land is subject to a trust in favor of the governmental subdivision in which it lies and all laws relating to tax-forfeited land."

Page 20, after line 28, insert:

"Sec. 29. **PRIVATE SALE OF LAND; ST. LOUIS COUNTY.**

Subdivision 1. **Private sale of land.** (a) Notwithstanding Minnesota Statutes, section 373.01, or any other law to the contrary, St. Louis County may, without advertising for bids, sell and convey directly to the current lessee or its assigns the land described in paragraph (b). The consideration must be in an amount negotiated between the county and the lessee or its assigns. The conveyance must be executed by October 31, 2014.

(b) The land to be sold is located in St. Louis County and consists of the parcel of property known as the Chris Jensen Health & Rehabilitation Center and adjacent property, all located within the following legal description: a parcel of land located within the Northwest Quarter, Section 16, Township 50 North, Range 14 West of the Fourth Principal Meridian lying west of Rice Lake Road.

(c) Notwithstanding Minnesota Statutes, section 373.01, or any other law to the contrary, St. Louis County may include some or all tangible and intangible personal property associated with the Chris Jensen Health & Rehabilitation Center as part of the negotiated sale price.

(d) The conveyance must be in a form approved by the St. Louis county attorney. The county attorney may change the land description in paragraph (b) to implement the intent of St. Louis County.

(e) The lessee is providing under the lease nursing home services formerly provided by the county, and the county has determined that its land management interests are best served if the ownership of the property is transferred to the lessee or its assigns.

Subd. 2. **Disposition of lease.** Upon the conveyance, the existing lease of the real and personal property is merged into the fee ownership."

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 Hancock amendment and the roll was called. There were 83 yeas and 45 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson, J.	Davnie	Hausman	Johnson	Lesch	Mariani
Brynaert	Dittrich	Hilstrom	Kahn	Liebling	Moran
Carlson	Falk	Hilty	Knuth	Lillie	Morrow
Champion	Fritz	Hornstein	Laine	Loeffler	Mullery
Clark	Hansen	Hortman	Lenczewski	Mahoney	Murphy, E.

Murphy, M.	Paymar	Poppe	Slawik	Wagenius
Nelson	Pelowski	Scalze	Slocum	Ward
Norton	Peterson, S.	Simon	Tillberry	Winkler

The motion prevailed and the amendment was adopted.

Dill moved to amend S. F. No. 1750, the second engrossment, as amended, as follows:

Page 19, line 9, after "(b)" insert "Except as provided under subdivision 8,"

Page 20, after line 26, insert:

"Subd. 8. **Opt out; continuation of lease.** The leaseholder may elect not to purchase the leased parcel if offered for sale under this section and instead continue in the annual lease program with the county, not to exceed the lifetime of the leaseholder. The fee for a lease under this subdivision shall include the amount of the estimated property tax on the parcel if it had been returned to private ownership."

Renumber the subdivisions in sequence and correct internal references

The motion prevailed and the amendment was adopted.

S. F. No. 1750, A bill for an act relating to natural resources; modifying Heartland Trail; providing for expedited exchanges of certain lands; adding to and deleting from state parks, state recreation areas, and state forests; authorizing public and private sale of certain state lands; modifying certain easements; modifying certain lease provisions; modifying Mississippi River management plan; amending Minnesota Statutes 2010, sections 84.631; 85.015, subdivision 12; 92.50, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 92.

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

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 41 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Dittrich	Hilty	Lenczewski	Mullery	Slawik
Benson, J.	Falk	Hornstein	Lesch	Murphy, E.	Slocum
Brynaert	Fritz	Hortman	Liebling	Murphy, M.	Tillberry
Carlson	Greene	Johnson	Lillie	Paymar	Wagenius
Champion	Hansen	Kahn	Loeffler	Peterson, S.	Ward
Clark	Hausman	Knuth	Mahoney	Scalze	Winkler
Davnie	Hilstrom	Laine	Mariani	Simon	

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

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Holberg announced her intention to place H. F. No. 2754 on the Fiscal Calendar for Tuesday, April 3, 2012.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2244:

O'Driscoll, McElpatrick, McNamara, Dittrich and Simon.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1528:

Myhra, Buesgens and Pelowski.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2392:

Atkins; Anderson, S.; Hoppe; Sanders and Lillie.

CALENDAR FOR THE DAY, Continued

S. F. No. 2173 was reported to the House.

Lohmer moved to amend S. F. No. 2173, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2626, the first engrossment:

"Section 1. **[151.58] AUTOMATED DRUG DISTRIBUTION SYSTEMS.**

Subdivision 1. **Scope.** This section applies only to the use of automated drug distribution systems located within the facilities specified in subdivision 2. Except as provided in this section, all applicable provisions of this chapter, chapter 152, and Minnesota Rules, chapter 6800, must be followed.

Subd. 2. **Definitions.** For purposes of this section only, the terms defined in this subdivision have the meanings given.

(a) "Automated drug distribution system" or "system" means a mechanical system approved by the board that performs operations or activities, other than compounding or administration, related to the storage, packaging, or dispensing of drugs, and collects, controls, and maintains all required transaction information and records.

(b) "Health care facility" means a nursing home licensed under section 144A.02; a housing with services establishment registered under section 144D.01, subdivision 4, in which a home provider licensed under chapter 144A is providing centralized storage of medications; a community behavioral health hospital or Minnesota sex offender program facility operated by the Department of Human Services; or a correctional facility licensed under section 241.021.

(c) "Managing pharmacy" means a pharmacy licensed by the board that controls and is responsible for the operation of an automated drug distribution system.

Subd. 3. **Authorization.** A pharmacy may use an automated drug distribution system to fill prescription drug orders for patients of a health care facility. The automated drug distribution system may be located in a health care facility that is not at the same location as the managing pharmacy. When located within a health care facility, the system is considered to be an extension of the managing pharmacy.

Subd. 4. **Notification.** (a) At least 60 days prior to the initial use of an automated drug distribution system, the managing pharmacy must provide the board with written notification of the address at which the automated drug distribution system will be located, the manufacturer and model of the automated drug distribution system, and written policies and procedures that govern the operation of the system. The policies and procedures must address the requirements of subdivision 5 and the rules of the board. If the managing pharmacy will be using a system identical to the one for which it has previously provided notification to the board, and will be using identical policies and procedures, it must notify the board of the address at which the automated drug distribution system will be located and the manufacturer and model of the automated drug distribution system at least seven days in advance of using the system.

(b) The managing pharmacy must notify the board whenever an automated drug distribution system is taken permanently out of service.

(c) The managing pharmacy must notify the board whenever an automated drug distribution system is replaced. It must also provide the board with new written policies and procedures, unless an identical system is used as the replacement, 60 days prior to the replacement of the system.

Subd. 5. **Operation of automated drug distribution systems.** (a) The managing pharmacy and the pharmacist in charge are responsible for the operation of an automated drug distribution system.

(b) Access to an automated drug distribution system must be limited to pharmacy and nonpharmacy personnel authorized to procure drugs from the system, except that field service technicians may access a system located in a health care facility for the purposes of servicing and maintaining it while being monitored either by the managing pharmacy, or a licensed nurse within the health care facility. In the case of an automated drug distribution system that is not physically located within a licensed pharmacy, access for the purpose of procuring drugs shall be limited to licensed nurses. Each person authorized to access the system must be assigned an individual specific access code. Alternatively, access to the system may be controlled through the use of biometric identification procedures. A policy specifying time access parameters, including timeouts, logoffs, and lockouts, must be in place.

(c) For the purposes of this section only, the requirements of section 151.215 are met if the following clauses are met:

(1) a pharmacist employed by and working at the managing pharmacy must review, interpret, and approve all prescription drug orders before any drug is distributed from the system to be administered to a patient. A pharmacy technician may perform data entry of prescription drug orders provided that a pharmacist certifies the accuracy of the data entry before the drug can be released from the automated drug distribution system. A pharmacist must certify the accuracy of the filling of any cassettes, canisters, or other containers that contain drugs that will be loaded into the automated drug distribution system; and

(2) when the automated drug dispensing system is located and used within the managing pharmacy, a pharmacist must personally supervise and take responsibility for all packaging and labeling associated with the use of an automated drug distribution system.

(d) Access to drugs when a pharmacist has not reviewed and approved the prescription drug order is permitted only when a formal and written decision to allow such access is issued by the pharmacy and the therapeutics committee or its equivalent. The committee must specify the patient care circumstances in which such access is allowed, the drugs that can be accessed, and the staff that are allowed to access the drugs.

(e) In the case of an automated drug distribution system that does not utilize bar coding in the loading process, the loading of a system located in a health care facility may be performed by a pharmacy technician, so long as the activity is continuously supervised, through a two-way audiovisual system by a pharmacist on duty within the managing pharmacy. In the case of an automated drug distribution system that utilizes bar coding in the loading process, the loading of a system located in a health care facility may be performed by a pharmacy technician or a licensed nurse, provided that the managing pharmacy retains an electronic record of loading activities.

(f) The automated drug distribution system must be under the supervision of a pharmacist. The pharmacist is not required to be physically present at the site of the automated drug distribution system if the system is continuously monitored electronically by the managing pharmacy. A pharmacist on duty within a pharmacy licensed by the board must be continuously available to address any problems detected by the monitoring or to answer questions from the staff of the health care facility. The licensed pharmacy may be the managing pharmacy or a pharmacy which is acting as a central services pharmacy, pursuant to Minnesota Rules, part 6800.4075, for the managing pharmacy."

Delete the title and insert:

"A bill for an act relating to health; authorizing automated drug distribution systems; proposing coding for new law in Minnesota Statutes, chapter 151."

The motion prevailed and the amendment was adopted.

The Speaker called Lanning to the Chair.

Koenen was excused between the hours of 11:45 a.m. and 12:05 p.m.

Lohmer and Anzelc moved to amend S. F. No. 2173, the second engrossment, as amended, as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2010, section 151.01, is amended by adding a subdivision to read:

Subd. 2a. **Limited service pharmacy.** "Limited service pharmacy" means a pharmacy that has been issued a restricted license by the board to perform a limited range of the activities that constitute the practice of pharmacy.

Sec. 2. Minnesota Statutes 2010, section 151.01, is amended by adding a subdivision to read:

Subd. 34. **Health professional shortage area.** "Health professional shortage area" means an area designated as such by the federal Secretary of Health and Human Services, as provided under Code of Federal Regulations, title 42, part 5, and United States Code, title 42, section 254E.

Sec. 3. Minnesota Statutes 2011 Supplement, section 151.19, is amended by adding a subdivision to read:

Subd. 4. **Licensing of physicians to dispense drugs; renewals.** (a) The board may grant a license to any physician licensed under chapter 147 who provides services in a health care facility located in a designated health professional shortage area authorizing the physician to dispense drugs to individuals for whom pharmaceutical care is not reasonably available. The license may be renewed annually. Any physician licensed under this subdivision shall be limited to dispensing drugs in a limited service pharmacy and shall be governed by the rules adopted by the board when dispensing drugs.

(b) For the purposes of this subdivision, pharmaceutical care is not reasonably available if the limited service pharmacy in which the physician is dispensing drugs is located in a health professional shortage area, and no other licensed pharmacy is located within 15 miles of the limited service pharmacy.

(c) For the purposes of this subdivision, section 151.15, subdivision 2, shall not apply, and section 151.215 shall not apply provided that a physician granted a license under this subdivision certifies each filled prescription in accordance with Minnesota Rules, part 6800.3100, subpart 3.

(d) Notwithstanding section 151.102, a physician granted a license under this subdivision may be assisted by a pharmacy technician if the technician holds a valid certification from the Pharmacy Technician Certification Board or from another national certification body for pharmacy technicians that requires passage of a nationally recognized psychometrically valid certification examination for certification as determined by the board. The physician may supervise the pharmacy technician as long as the physician assumes responsibility for all functions performed by the technician. For purposes of this subdivision, supervision does not require the physician to be physically present if the physician or a licensed pharmacist is available, either electronically or by telephone.

(e) Nothing in this subdivision shall be construed to prohibit a physician from dispensing drugs pursuant to section 151.37 and Minnesota Rules, parts 6800.9950 to 6800.9954."

Page 1, line 19, after the semicolon, insert "or"

Page 1, line 20, delete everything after "Services" and insert a period

Page 1, delete line 21

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 2173, A bill for an act relating to health; providing for a limited service pharmacy license; authorizing automated drug distribution systems; amending Minnesota Statutes 2010, section 151.01, by adding subdivisions; Minnesota Statutes 2011 Supplement, section 151.19, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 151.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1809, A bill for an act relating to health; removing requirements for implementation of evidence-based strategies as part of hospital community benefit programs and health maintenance organizations collaboration plans; changing requirements for development of health care costs and quality outcome standards; providing for use and public release of certain health care data; amending Minnesota Statutes 2010, sections 62U.04, subdivisions 1, 2, 4, 5; 256B.0754, subdivision 2; Minnesota Statutes 2011 Supplement, section 62U.04, subdivisions 3, 9; Laws 2011, First Special Session chapter 9, article 10, section 4, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, D.	Anzelc	Beard	Bills	Carlson
Allen	Anderson, P.	Banaian	Benson, J.	Brynaert	Champion
Anderson, B.	Anderson, S.	Barrett	Benson, M.	Buesgens	Clark

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

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

FISCAL CALENDAR

Pursuant to rule 1.22, Holberg requested immediate consideration of H. F. No. 2171.

H. F. No. 2171 was reported to the House.

Hackbarth moved to amend H. F. No. 2171, the fourth engrossment, as follows:

Page 14, after line 23, insert:

"Sec. 28. Minnesota Statutes 2010, section 97A.405, subdivision 4, is amended to read:

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

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

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

- (1) when the season for the deer license being surrendered has not yet opened; or
- (2) when the person is changing from a regular deer license to a youth deer license.

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

Sec. 29. Minnesota Statutes 2010, section 97A.405, is amended by adding a subdivision to read:

Subd. 4a. Replacement turkey licenses. (a) The commissioner may permit licensed turkey hunters to change permit areas or time periods within the fall turkey season, or within the spring turkey season. The commissioner may issue a replacement turkey license if the applicant submits the original turkey license and unused tags that are being replaced, and the applicant pays the fee for a replacement license under section 97A.475, subdivision 44.

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

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

(1) when the permit area or time period for the turkey license being surrendered has not yet opened; and

(2) licenses are available for the replacement turkey license permit area or time period for (i) areas that are not lottery areas, (ii) lottery areas that have remaining licenses, or (iii) the applicant is a youth hunter age 17 or younger."

Page 20, after line 18, insert:

"Sec. 43. Minnesota Statutes 2010, section 97A.475, subdivision 44, is amended to read:

Subd. 44. **Replacement licenses.** The fee for a replacement ~~firearms~~ deer or turkey license is \$5."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Hackbarth moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 36, line 13, delete everything after the first semicolon and insert "and 97C.031, are repealed."

Correct the title numbers accordingly

The motion prevailed and the amendment was adopted.

Hackbarth moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 10, delete section 17 and insert:

"Sec. 17. **[87A.09] PUBLIC SHOOTING RANGES; ACCESSIBILITY.**

(a) A publicly owned or managed shooting range that is funded in whole or part with public funds must be available at least twice during the spring and twice during the summer for use by participants in a firearms safety instruction course under section 97B.015. The shooting range must be available during hours reasonable for youth participants. The range operator may charge a fee to cover any costs directly incurred from use required under this section, but may not charge a fee to offset costs for general maintenance and operation of the facility.

(b) This section does not apply to a shooting range located on the same premises as a correctional or detention facility that holds or incarcerates offenders."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker called Davids to the Chair.

Johnson moved to amend the Hackbarth amendment to H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 1, line 2, after "17" delete "and insert:"

Page 1, delete lines 3 to 12

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 61 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Allen	Fritz	Johnson	Loeffler	Nelson	Slawik
Benson, J.	Gauthier	Kahn	Loon	Norton	Slocum
Brynaert	Greene	Kath	Mahoney	Paymar	Tillberry
Carlson	Hansen	Kieffer	Mariani	Pelowski	Wagenius
Champion	Hausman	Knuth	Marquart	Persell	Ward
Clark	Hilstrom	Laine	Mazorol	Petersen, B.	Woodard
Davnie	Hilty	Lanning	Melin	Peterson, S.	
Dittrich	Hornstein	Lenczewski	Moran	Poppe	
Doepke	Hortman	Lesch	Morrow	Runbeck	
Falk	Hosch	Liebling	Mullery	Scalze	
Franson	Huntley	Lillie	Murphy, E.	Simon	

Those who voted in the negative were:

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

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

Norton moved to amend the Hackbarth amendment to H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 1, line 11, after "to" insert "cities or counties which have a private shooting range that is open to the public or"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 62 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Allen	Fritz	Huntley	Lillie	Murphy, E.	Scalze
Banaian	Gauthier	Johnson	Loeffler	Murphy, M.	Simon
Beard	Greene	Kahn	Loon	Murray	Slawik
Benson, J.	Gruenhagen	Kath	Mahoney	Nelson	Slocum
Brynaert	Hansen	Kelly	Mariani	Norton	Tillberry
Carlson	Hausman	Kieffer	Marquart	Paymar	Wagenius
Champion	Hilstrom	Knuth	Mazorol	Pelowski	Ward
Clark	Hilty	Laine	Melin	Persell	
Davnie	Hornstein	Lenczewski	Moran	Petersen, B.	
Dittrich	Hortman	Lesch	Morrow	Peterson, S.	
Falk	Hosch	Liebling	Mullery	Poppe	

Those who voted in the negative were:

Abeler	Buesgens	Downey	Hackbarth	Kriesel	McNamara
Anderson, B.	Cornish	Drazkowski	Hamilton	Lanning	Murdock
Anderson, D.	Crawford	Eken	Hancock	Leidiger	Myhra
Anderson, P.	Daudt	Erickson	Holberg	LeMieur	Nornes
Anderson, S.	Dauids	Fabian	Hoppe	Lohmer	O'Driscoll
Anzelc	Dean	Franson	Howes	Mack	Peppin
Barrett	Dettmer	Garofalo	Kiel	McDonald	Quam
Benson, M.	Dill	Gottwalt	Kiffmeyer	McElpatrick	Rukavina
Bills	Doepke	Gunther	Koenen	McFarlane	Runbeck

Sanders	Shimanski	Swedzinski	Vogel	Woodard
Schomacker	Smith	Torkelson	Wardlow	Spk. Zellers
Scott	Stensrud	Urdahl	Westrom	

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

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

Those who voted in the affirmative were:

Abeler	Davids	Gunther	Leidiger	Murray	Slawik
Anderson, B.	Dean	Hackbarth	LeMieur	Myhra	Smith
Anderson, D.	Dettmer	Hamilton	Liebling	Nelson	Stensrud
Anderson, P.	Dill	Hancock	Lohmer	Nornes	Swedzinski
Anderson, S.	Doepke	Holberg	Loon	O'Driscoll	Torkelson
Anzelc	Downey	Hoppe	Mack	Peppin	Urdahl
Banaian	Drazkowski	Hosch	Mazorol	Persell	Vogel
Barrett	Eken	Howes	McDonald	Petersen, B.	Wardlow
Beard	Erickson	Kath	McElfatrick	Poppe	Westrom
Benson, M.	Fabian	Kelly	McFarlane	Quam	Winkler
Bills	Falk	Kieffer	McNamara	Rukavina	Woodard
Buesgens	Garofalo	Kiel	Melin	Sanders	Spk. Zellers
Cornish	Gauthier	Kiffmeyer	Morrow	Schomacker	
Crawford	Gottwalt	Koenen	Murdock	Scott	
Daudt	Gruenhagen	Kriesel	Murphy, M.	Shimanski	

Those who voted in the negative were:

Allen	Franson	Hortman	Lesch	Murphy, E.	Slocum
Benson, J.	Fritz	Huntley	Lillie	Norton	Tillberry
Brynaert	Greene	Johnson	Loeffler	Paymar	Wagenius
Carlson	Hansen	Kahn	Mahoney	Pelowski	Ward
Champion	Hausman	Knuth	Mariani	Peterson, S.	
Clark	Hilstrom	Laine	Marquart	Runbeck	
Davnie	Hilty	Lanning	Moran	Scalze	
Dittrich	Hornstein	Lenczewski	Mullery	Simon	

The motion prevailed and the amendment was adopted.

Fabian moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 26, delete section 58 and insert:

"Sec. 58. Minnesota Statutes 2011 Supplement, section 97B.667, is amended to read:

97B.667 REMOVAL OF BEAVERS, BEAVER DAMS, AND LODGES BY ROAD AUTHORITIES AND LOCAL GOVERNMENT UNITS.

Subdivision 1. Road authorities. (a) When a drainage watercourse is impaired by a beaver dam and the water damages or threatens to damage a public road, the road authority, as defined in section 160.02, subdivision 25, may remove the impairment and any associated beaver lodge within 300 feet of the road. ~~Notwithstanding any law to the contrary,~~

(b) The road authority may kill ~~or~~ beaver associated with the lodge or damage in any manner, except by poison or artificial lights.

(c) The road authority may arrange to have killed by any lawful means a beaver associated with the lodge by trapping through a third-party, contract, or under subdivision 4.

Subd. 2. Local government units. (a) Local government units may, as provided in this section, kill or arrange to have killed beaver that are causing damage, including silvicultural projects and drainage ditches, on property owned or managed by the local government unit. Removal or destruction of any associated beaver lodge is subject to section 97A.401, subdivision 5.

(b) The local government unit may kill beaver associated with the lodge or damage in any manner, except by poison or artificial lights.

(c) The local government unit may arrange to have killed any beaver associated with the lodge or damage by trapping through a third-party, contract, or under subdivision 4.

Subd. 3. Permits and notice; requirements. (a) Before killing or arranging to kill a beaver under this section, the road authority or local government unit must contact a conservation officer for a special beaver permit. The conservation officer must issue the permit for any beaver subject to this section.

(b) A road authority or local government unit that kills or arranges to have killed a beaver under this section must notify a conservation officer or ~~the officer's designee as specified in the permit~~ employee of the Wildlife Division within ten days after the animal is killed.

Subd. 4. Local beaver control programs. A road authority or local government unit may, after consultation with the Wildlife Division ~~and the Board of Water and Soil Resources~~, implement a local beaver control program designed to reduce the number of incidents of beaver;

(1) interfering with or damaging a public road; or

(2) causing damage, including silvicultural projects and drainage ditches, on property owned or managed by the local government unit.

The local control program may include the offering of a bounty for the lawful taking of beaver."

The motion prevailed and the amendment was adopted.

Hilstrom was excused between the hours of 1:35 p.m. and 4:40 p.m.

Ward and Doepke moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 8, after line 13, insert:

"Sec. 11. Minnesota Statutes 2011 Supplement, section 84D.13, subdivision 5, is amended to read:

Subd. 5. **Civil penalties.** (a) A civil citation issued under this section must impose the following penalty amounts:

(1) for transporting aquatic macrophytes in violation of section 84D.09, ~~\$50~~ \$100;

(2) for placing or attempting to place into waters of the state water-related equipment that has aquatic macrophytes attached, ~~\$100~~ \$200;

(3) for unlawfully possessing or transporting a prohibited invasive species other than an aquatic macrophyte, ~~\$250~~ \$500;

(4) for placing or attempting to place into waters of the state water-related equipment that has prohibited invasive species attached when the waters are not designated by the commissioner as being infested with that invasive species, ~~\$500 for the first offense and \$1,000 for each subsequent offense~~;

(5) for intentionally damaging, moving, removing, or sinking a buoy marking, as prescribed by rule, Eurasian water milfoil, \$100;

(6) for failing to have drain plugs or similar devices removed or opened while transporting water-related equipment or for failing to remove plugs, open valves, and drain water from water-related equipment, other than marine sanitary systems, before leaving waters of the state, \$50 \$100; and

(7) for transporting infested water off riparian property without a permit as required by rule, \$200.

(b) A civil citation that is issued to a person who has one or more prior convictions or final orders for violations of this chapter is subject to twice the penalty amounts listed in paragraph (a)."

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 Ward and Doepke amendment and the roll was called. There were 60 yeas and 71 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abeler	Barrett	Crawford	Downey	Gottwalt	Holberg
Anderson, B.	Beard	Daudt	Drazkowski	Gruenhagen	Hoppe
Anderson, D.	Benson, M.	Dauids	Erickson	Gunther	Howes
Anderson, P.	Bills	Dean	Fabian	Hackbarth	Kelly
Anzelc	Buesgens	Dettmer	Franson	Hamilton	Kieffer
Banaian	Cornish	Dill	Garofalo	Hancock	Kiel

Kiffmeyer	Mack	Murdock	Petersen, B.	Scott	Urdahl
Koenen	Mazorol	Murray	Quam	Shimanski	Wardlow
Kriesel	McDonald	Myhra	Rukavina	Smith	Westrom
Leidiger	McElfatrick	Nornes	Runbeck	Stensrud	Woodard
LeMieur	McFarlane	O'Driscoll	Sanders	Swedzinski	Spk. Zellers
Lohmer	McNamara	Peppin	Schomacker	Torkelson	

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

Ward and Doepke offered an amendment to H. F. No. 2171, the fourth engrossment, as amended.

POINT OF ORDER

Buesgens raised a point of order pursuant to rule 4.05, relating to Amendment Limits, that the Ward and Doepke amendment was not in order. Speaker pro tempore Davids ruled the point of order well taken and the Ward and Doepke amendment out of order.

Winkler appealed the decision of Speaker pro tempore Davids.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Davids stand as the judgment of the House?" and the roll was called. There were 71 yeas and 59 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abeler	Clark	Fritz	Hortman	Koenen	Mariani
Allen	Cornish	Gauthier	Hosch	Laine	Marquart
Anzelc	Davnie	Greene	Huntley	Lenczewski	Moran
Benson, J.	Dill	Hansen	Johnson	Lesch	Morrow
Brynaert	Dittrich	Hausman	Kahn	Liebling	Mullery
Carlson	Eken	Hilty	Kah	Lillie	Murphy, E.
Champion	Falk	Hornstein	Knuth	Loeffler	Murphy, M.

Nelson	Pelowski	Peterson, S.	Simon	Thissen	Ward
Norton	Peppin	Poppe	Slawik	Tillberry	Winkler
Paymar	Persell	Scalze	Slocum	Wagenius	

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

The Speaker resumed the Chair.

Persell and Davids moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 1, delete section 1

Page 11, lines 4 to 9, reinstate the stricken language

Page 11, line 10, reinstate the stricken language and delete the new language

Page 11, delete the new language

Page 19, lines 29 to 32, reinstate the stricken language

Page 36, line 10, delete "17.035:"

Page 36, line 12, delete "97B.303:"

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 Persell and Davids amendment and the roll was called. There were 61 yeas and 70 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

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

Hansen moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 34, delete section 73

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 amendment and the roll was called. There were 53 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Allen	Falk	Hosch	Lesch	Mullery	Scalze
Benson, J.	Fritz	Huntley	Liebling	Murphy, E.	Simon
Brynaert	Gauthier	Johnson	Lillie	Murphy, M.	Slawik
Carlson	Greene	Kahn	Loeffler	Nelson	Stocum
Champion	Hansen	Kath	Mahoney	Norton	Tillberry
Clark	Hausman	Knuth	Mariani	Paymar	Wagenius
Davnie	Hilty	Koenen	Melin	Pelowski	Ward
Dill	Hornstein	Laine	Moran	Persell	Winkler
Dittrich	Hortman	Lenczewski	Morrow	Poppe	

Those who voted in the negative were:

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

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

Hansen moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 10, after line 29, insert:

"Sec. 20. Minnesota Statutes 2010, section 97A.045, subdivision 7, is amended to read:

Subd. 7. **Duty to encourage stamp design and purchases.** (a) The commissioner shall encourage the purchase of:

(1) Minnesota migratory waterfowl stamps by nonhunters interested in migratory waterfowl preservation and habitat development;

(2) pheasant stamps by persons interested in pheasant habitat improvement;

(3) trout and salmon stamps by persons interested in trout and salmon stream and lake improvement;

(4) turkey stamps by persons interested in stamp collecting; ~~and~~

(5) walleye stamps by persons interested in walleye stocking and stamp collecting; and

(6) wolf stamps by persons interested in stamp collecting.

(b) The commissioner shall make rules governing contests for selecting a design for each stamp, including those stamps not required to be in possession while taking game or fish. The commissioner shall ensure that stamp design and characteristics are consistent with the design and characteristics that are sought by pictorial stamp collectors.

Sec. 21. Minnesota Statutes 2010, section 97A.055, subdivision 4, is amended to read:

Subd. 4. **Game and fish annual reports.** (a) By December 15 each year, the commissioner shall submit to the legislative committees having jurisdiction over appropriations and the environment and natural resources reports on each of the following:

(1) the amount of revenue from the following and purposes for which expenditures were made:

(i) the small game license surcharge under section 97A.475, subdivision 4;

(ii) the Minnesota migratory waterfowl stamp under section 97A.475, subdivision 5, clause (1);

(iii) the trout and salmon stamp under section 97A.475, subdivision 10;

(iv) the pheasant stamp under section 97A.475, subdivision 5, clause (2);

(v) the wild turkey management account under section 97A.075, subdivision 5;

(vi) the deer license donations and surcharges under section 97A.475, subdivisions 3, paragraph (b), and 3a; ~~and~~

(vii) the walleye stamp under section 97A.475, subdivision 10a; and

(viii) the wolf stamp under section 97A.475, subdivision 5;

(2) the amounts available under section 97A.075, subdivision 1, paragraphs (b) and (c), and the purposes for which these amounts were spent;

(3) money credited to the game and fish fund under this section and purposes for which expenditures were made from the fund;

(4) outcome goals for the expenditures from the game and fish fund; and

(5) summary and comments of citizen oversight committee reviews under subdivision 4b.

(b) The report must include the commissioner's recommendations, if any, for changes in the laws relating to the stamps and surcharge referenced in paragraph (a)."

Page 12, after line 15, insert:

"Sec. 25. Minnesota Statutes 2011 Supplement, section 97A.075, is amended by adding a subdivision to read:

Subd. 8. **Wolf stamps; revenues.** Revenue from wolf stamps under section 97A.475, subdivision 5, must be credited to the wolf management and monitoring account and is for transfer to the commissioner of agriculture for compensation for destroyed or crippled animals under section 3.737."

Page 13, after line 21, insert:

"Sec. 29. Minnesota Statutes 2011 Supplement, section 97A.405, subdivision 2, is amended to read:

Subd. 2. **Personal possession.** (a) A person acting under a license or traveling from an area where a licensed activity was performed must have in personal possession either: (1) the proper license, if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

(b) If possession of a license or a license identification number is required, a person must exhibit, as requested by a conservation officer or peace officer, either: (1) the proper license if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation and a valid state driver's license, state identification card, or other form of identification provided by the commissioner, if the license has been sold to the person by electronic means but the actual license has not been issued and received. A person charged with violating the license possession requirement shall not be convicted if the person produces in court or the office of the arresting officer, the actual license previously issued to that person, which was valid at the time of arrest, or satisfactory proof that at the time of the arrest the person was validly licensed. Upon request of a conservation officer or peace officer, a licensee shall write the licensee's name in the presence of the officer to determine the identity of the licensee.

(c) If the actual license has been issued and received, a receipt for license fees, a copy of a license, or evidence showing the issuance of a license, including the license identification number or stamp validation, does not entitle a licensee to exercise the rights or privileges conferred by a license.

(d) A license issued electronically and not immediately provided to the licensee shall be mailed to the licensee within 30 days of purchase of the license. A pictorial migratory waterfowl, pheasant, trout and salmon, ~~or~~ walleye, or wolf stamp shall be provided to the licensee after purchase of a stamp validation only if the licensee pays an additional fee that covers the costs of producing and mailing a pictorial stamp. A pictorial turkey stamp may be purchased for a fee that covers the costs of producing and mailing the pictorial stamp. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for providing the pictorial stamps. The fees must be set in an amount that does not recover significantly more or less than the cost of producing and mailing the stamps. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply."

Page 20, after line 10, insert:

"Sec. 44. Minnesota Statutes 2010, section 97A.475, subdivision 5, is amended to read:

Subd. 5. **Hunting and trapping stamps.** Fees for the following stamps and stamp validations are:

(1) migratory waterfowl stamp, \$7.50; ~~and~~

(2) pheasant stamp, \$7.50; and

(3) wolf stamp, \$30."

Page 26, after line 17, insert:

"Sec. 63. **[97B.648] WOLF STAMP REQUIRED.**

Except as provided in section 97A.405, subdivision 2, a person over age 16 and under age 65 required to possess a wolf hunting or trapping license to take a wolf may not take a wolf without a wolf stamp validation."

Page 34, delete lines 11 to 13 and insert:

"(a) The commissioner of natural resources shall amend Minnesota Rules, part 6133.0075, to require the restitution value for wolves to be twice the amount listed when applied to a person who has one or more prior convictions involving the taking of wolves and shall change the term "gray wolves" to "wolves.""

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 amendment and the roll was called. There were 57 yeas and 73 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

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

Persell moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 4, line 16, reinstate the stricken "number" and delete "decal"

Page 7, delete section 9

Page 35, delete section 77

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 Persell amendment and the roll was called. There were 49 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Allen	Gauthier	Kahn	Mariani	Pelowski	Tillberry
Benson, J.	Greene	Knuth	Moran	Persell	Wagenius
Brynaert	Hansen	Laine	Morrow	Peterson, S.	Ward
Carlson	Hausman	Lenczewski	Mullery	Poppe	Winkler
Champion	Hilty	Lesch	Murphy, E.	Scalze	
Clark	Hornstein	Liebling	Murphy, M.	Simon	
Davnie	Hortman	Lillie	Nelson	Slawik	
Falk	Huntley	Loeffler	Norton	Slocum	
Fritz	Johnson	Mahoney	Paymar	Thissen	

Those who voted in the negative were:

Abeler	Barrett	Daudt	Downey	Gottwalt	Hoppe
Anderson, B.	Beard	Dauids	Drazkowski	Gruenhagen	Hosch
Anderson, D.	Benson, M.	Dean	Eken	Gunther	Howes
Anderson, P.	Bills	Dettmer	Erickson	Hackbarth	Kath
Anderson, S.	Buesgens	Dill	Fabian	Hamilton	Kelly
Anzelc	Cornish	Dittrich	Franson	Hancock	Kieffer
Banaian	Crawford	Doepke	Garofalo	Holberg	Kiel

Kiffmeyer	Loon	McNamara	Peppin	Scott	Vogel
Koenen	Mack	Melin	Petersen, B.	Shimanski	Wardlow
Kriesel	Marquart	Murdock	Quam	Smith	Westrom
Lanning	Mazorol	Murray	Rukavina	Stensrud	Woodard
Leidiger	McDonald	Myhra	Runbeck	Swedzinski	Spk. Zellers
LeMieur	McElpatrick	Nornes	Sanders	Torkelson	
Lohmer	McFarlane	O'Driscoll	Schomacker	Urdahl	

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

Ward and Greiling moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 29, delete section 64 and insert:

"Sec. 64. **97B.903 USE OF BODY-GRIPPING TRAPS.**

Subdivision 1. **Placement of traps.** (a) On land or ice on public land, a person may not set place or operate, except as a water set, a body-gripping or "conibear" type trap that has a maximum jaw opening, when set, greater than six and one-half inches and less than seven and one-half inches measured from the inside edges of the body-gripping portions of the jaws unless:

(1) the trap is elevated at least four feet above the surface;

(2) the trap is in an enclosure with any opening no greater than 50 square inches with the trap trigger recessed seven inches from any opening;

(3) the trap is in an enclosure with only one entrance, directly facing the ground with the entrance no more than six inches from the surface and the trap trigger is recessed four inches from the opening; or

(4) the maximum jaw opening, when set, is no more than six and one-half inches as measured from the inside edges of the body-gripping portions of the jaws and no part of the body-gripping surface is more than eight inches above the trail surface and no bait, lure or other attractant is placed within 100 feet of the trap.

Subd. 2. **Right-of-way.** (a) A person may not set, place, or operate any body-gripping trap with a maximum jaw opening, when set no greater than five and one-half inches as measured from the inside edges of the body-gripping portions of the jaws, in the road right-of-way within 500 feet of a building occupied by a human or livestock without written permission of the occupant or landowner, except as a completely submerged waterset.

(b) A person may not set, place, or operate in the road right-of-way a body-gripping or "conibear" type trap that has a maximum jaw opening, when set, of greater than five and one-half inches when measured from the inside edges of the jaws in or within three feet of the opening of a six-foot wide or smaller culvert, except as a completely submerged waterset."

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Allen	Gauthier	Huntley	Loeffler	Nelson	Thissen
Benson, J.	Greene	Johnson	Mahoney	Norton	Tillberry
Brynaert	Hansen	Kahn	Mariani	Paymar	Wagenius
Carlson	Hausman	Kath	McFarlane	Persell	Ward
Champion	Hilty	Knuth	Melin	Peterson, S.	Winkler
Clark	Holberg	Laine	Moran	Poppe	
Davnie	Hornstein	Lenczewski	Morrow	Scalze	
Dittrich	Hortman	Lesch	Mullery	Simon	
Falk	Hosch	Liebling	Murphy, E.	Slawik	
Fritz	Howes	Lillie	Murphy, M.	Slocum	

Those who voted in the negative were:

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

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

Falk moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 21, after line 31, insert:

"Sec. 45. Minnesota Statutes 2011 Supplement, section 97B.031, subdivision 5, is amended to read:

Subd. 5. **Scopes; visually impaired hunters on muzzleloaders.** ~~(a) Notwithstanding any other law to the contrary, the commissioner may issue a special permit, without a fee, to A person may use a muzzleloader with a scope to take deer during the muzzleloader season to a person who obtains the required licenses and who has a visual impairment. The scope may not have magnification capabilities.~~

~~(b) The visual impairment must be to the extent that the applicant is unable to identify targets and the rifle sights at the same time without a scope. The visual impairment and specific conditions must be established by medical evidence verified in writing by (1) a licensed physician or a certified nurse practitioner or certified physician assistant acting under the direction of a licensed physician; (2) a licensed ophthalmologist; or (3) a licensed optometrist. The commissioner may request additional information from the physician if needed to verify the applicant's eligibility for the permit.~~

~~(c) A permit issued under this subdivision may be valid for up to five years, based on the permanence of the visual impairment as determined by the licensed physician, ophthalmologist, or optometrist.~~

~~(d) The permit must be in the immediate possession of the permittee when hunting under the special permit.~~

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

~~(f) A person who knowingly makes a false application or assists another in making a false application for a permit under this subdivision is guilty of a misdemeanor. A physician, certified nurse practitioner, certified physician assistant, ophthalmologist, or optometrist who fraudulently certifies to the commissioner that a person is visually impaired as described in this subdivision is guilty of a misdemeanor."~~

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 Falk amendment and the roll was called. There were 47 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anzelc	Fabian	Hosch	Lohmer	Norton	Slawik
Benson, M.	Falk	Huntley	Mahoney	Pelowski	Slocum
Carlson	Fritz	Johnson	Marquart	Persell	Swedzinski
Champion	Gauthier	Kahn	Melin	Peterson, S.	Vogel
Davids	Greene	Kath	Moran	Rukavina	Wagenius
Dill	Hancock	Koenen	Morrow	Scalze	Ward
Drazkowski	Hansen	LeMieur	Murphy, E.	Scott	Winkler
Eken	Hornstein	Liebling	Nornes	Simon	

Those who voted in the negative were:

Abeler	Daudt	Hamilton	Lanning	Mullery	Shimanski
Anderson, B.	Davnie	Hausman	Leidiger	Murdock	Smith
Anderson, D.	Dean	Hilty	Lenczewski	Murphy, M.	Stensrud
Anderson, P.	Dettmer	Holberg	Lesch	Murray	Thissen
Anderson, S.	Dittrich	Hoppe	Lillie	Myhra	Tillberry
Banaian	Doepke	Hortman	Loeffler	Nelson	Torkelson
Barrett	Downey	Howes	Loon	O'Driscoll	Urdahl
Beard	Erickson	Kelly	Mack	Peppin	Wardlow
Bills	Franson	Kieffer	Mariani	Petersen, B.	Westrom
Brynaert	Garofalo	Kiel	Mazorol	Poppe	Woodard
Buesgens	Gottwalt	Kiffmeyer	McDonald	Quam	Spk. Zellers
Clark	Gruenhagen	Knuth	McElfatrick	Runbeck	
Cornish	Gunther	Kriesel	McFarlane	Sanders	
Crawford	Hackbarth	Laine	McNamara	Schomacker	

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

Kahn, Moran, Falk, Mullery and Clark moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 2, line 22, before "and" insert ", including youth, women and minorities."

The motion prevailed and the amendment was adopted.

Dill, Anzelc, Melin and Hackbarth moved to amend H. F. No. 2171, the fourth engrossment, as amended, as follows:

Page 36, after line 2, insert:

"Sec. 78. **FISHING OPENER; 2012.**

The 2012 open season for taking fish by angling shall begin on Saturday, May 5, 2012, for the taking of species that would otherwise begin on May 12, 2012, under Minnesota Statutes, section 97C.395, and rules of the commissioner of natural resources."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 2171, A bill for an act relating to natural resources; modifying game and fish license provisions; providing for taking wolf; modifying requirements to take and transport wild animals; modifying department authority and duties; creating walk-in access program; modifying predator control program; modifying deer baiting restrictions; modifying authority to remove beavers; providing for disposition of certain receipts; eliminating venison donation program; modifying snowmobile registration and trail sticker requirements; modifying snowmobile operation provisions; modifying watercraft license fees; modifying shooting range provisions; modifying temporary drawdown of public waters provisions; modifying 2012 fishing opener date; requiring rulemaking; providing civil penalties; appropriating money; amending Minnesota Statutes 2010, sections 84.027, subdivisions 14, 15; 84.82, subdivisions 2, 3; 84.8205, subdivision 1; 84.83, subdivisions 2, 3; 84.86, subdivision 1; 84.8712, subdivision 1; 86B.301, subdivision 2; 86B.415, subdivisions 1, 2, by adding a subdivision; 87A.01, subdivision 4; 87A.02, subdivision 2; 97A.015, subdivisions 3a, 53; 97A.065, subdivision 6; 97A.085, by adding a subdivision; 97A.095, subdivisions 1, 2; 97A.137, subdivision 5; 97A.405, subdivision 4, by adding a subdivision; 97A.421, subdivision 3; 97A.441, subdivision 7; 97A.451, subdivisions 3, 4, by adding a subdivision; 97A.473, subdivisions 3, 5, 5a; 97A.475, subdivisions 2, 3, 3a, 4, 20, 44; 97A.482; 97B.001, subdivision 7; 97B.031, subdivisions 1, 2; 97B.035, subdivision 1a; 97B.071; 97B.085, subdivision 3; 97B.328; 97B.601, subdivisions 3a, 4; 97B.603; 97B.605; 97B.671, subdivisions 3, 4; 97B.711, subdivision 1; 97B.805, subdivision 1; 97B.901; 97C.355, subdivision 1, by adding a subdivision; 97C.395, subdivision 1; 97C.515, subdivisions 2, 4, 5; 103G.005, by adding a subdivision; 103G.408; Minnesota Statutes 2011 Supplement, sections 97A.075, subdivision 1, by adding a subdivision; 97B.075; 97B.645, subdivision 9; 97B.667; proposing coding for new law in Minnesota Statutes, chapters 31; 87A; 97A; 97B; repealing Minnesota Statutes 2010, sections 17.035; 17.4993, subdivision 2; 87A.02, subdivision 1; 97A.045, subdivisions 8, 13; 97A.065, subdivision 1; 97A.095, subdivision 3; 97A.331, subdivision 7; 97A.485, subdivision 12; 97A.552; 97B.303; 97B.645, subdivision 2; 97C.031.

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 82 yeas and 49 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Gauthier	Johnson	Loeffler	Paymar	Thissen
Benson, J.	Greene	Kahn	Mahoney	Pelowski	Tillberry
Brynaert	Hansen	Kath	Mariani	Persell	Wagenius
Carlson	Hausman	Knuth	Moran	Peterson, S.	Ward
Champion	Hilty	Laine	Morrow	Poppe	
Clark	Hornstein	Lenczewski	Mullery	Scalze	
Davnie	Hortman	Lesch	Murphy, E.	Simon	
Falk	Hosch	Liebling	Nelson	Slawik	
Fritz	Huntley	Lillie	Norton	Slocum	

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

CALENDAR FOR THE DAY, Continued

H. F. No. 1774 was reported to the House.

Kriesel moved to amend H. F. No. 1774, the second engrossment, as follows:

Page 3, line 8, strike "items" and insert "consumer fireworks, novelties, and sparkling devices" and delete "authorized under paragraph"

Page 3, line 9, delete "(b)"

Page 4, lines 14 and 16, after "section 624.20," insert "subdivision 1,"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn; Winkler; Murphy, E.; Davnie; Clark and Liebling moved to amend H. F. No. 1774, the second engrossment, as amended, as follows:

Page 3, after line 16, insert:

"(d) No person in the business of offering goods at retail or wholesale may distribute, sell, or offer for sale in this state consumer fireworks unless the fireworks were manufactured in the United States of America."

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 30 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Anzelc	Dill	Hornstein	Mariani	Persell
Brynaert	Dittrich	Johnson	Melin	Peterson, S.
Carlson	Gauthier	Kahn	Moran	Rukavina
Champion	Greene	Laine	Mullery	Simon
Clark	Hansen	Lenczewski	Murphy, E.	Wagenius
Davnie	Hilty	Liebling	Murphy, M.	Winkler

Those who voted in the negative were:

Abeler	Dean	Hancock	LeMieur	Myhra	Slawik
Allen	Dettmer	Holberg	Lesch	Nelson	Slocum
Anderson, B.	Doepke	Hoppe	Lillie	Nornes	Smith
Anderson, D.	Downey	Hortman	Loeffler	Norton	Stensrud
Anderson, P.	Drazkowski	Hosch	Lohmer	O'Driscoll	Swedzinski
Anderson, S.	Eken	Howes	Loon	Paymar	Tillberry
Banaian	Erickson	Huntley	Mack	Pelowski	Torkelson
Barrett	Fabian	Kath	Mahoney	Peppin	Urdahl
Beard	Falk	Kelly	Marquart	Petersen, B.	Vogel
Benson, J.	Franson	Kieffer	Mazorol	Poppe	Ward
Benson, M.	Fritz	Kiel	McDonald	Quam	Wardlow
Bills	Garofalo	Kiffmeyer	McElfratrick	Runbeck	Westrom
Buesgens	Gottwalt	Knuth	McFarlane	Sanders	Woodard
Cornish	Gruenhagen	Koenen	McNamara	Scalze	Spk. Zellers
Crawford	Gunther	Kriesel	Morrow	Schomacker	
Daudt	Hackbarth	Lanning	Murdock	Scott	
Dauids	Hamilton	Leidiger	Murray	Shimanski	

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

H. F. No. 1774, as amended, was read for the third time.

Winkler moved that H. F. No. 1774, as amended, be re-referred to the Committee on Government Operations and Elections. The motion prevailed.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1992, A bill for an act relating to transportation; motor carriers; prohibiting indemnity provisions in motor carrier contracts; proposing coding for new law in Minnesota Statutes, chapter 221.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 203, A bill for an act relating to regulatory reform; providing that certain rules take effect only upon legislative approval; amending Minnesota Statutes 2010, section 14.19; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 2010, section 14.127.

CAL R. LUDEMAN, Secretary of the Senate

Westrom moved that the House refuse to concur in the Senate amendments to H. F. No. 203, 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. 1816, A bill for an act relating to public safety; authorizing federally licensed firearms importers, manufacturers, and dealers to possess and sell firearm silencers to government agencies, the military, and other licensed firearms importers, manufacturers, and dealers; amending Minnesota Statutes 2011 Supplement, section 609.66, subdivision 1h.

CAL R. LUDEMAN, Secretary of the Senate

Benson, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 1816, 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. 2239, A bill for an act relating to motor vehicles; amending and clarifying requirements governing titling and license plates for pioneer vehicles; amending Minnesota Statutes 2010, sections 168.10, subdivision 1a; 168A.01, subdivision 16, by adding a subdivision; 168A.04, subdivision 5; 168A.05, subdivision 3; 168A.09, by adding a subdivision; 168A.15, subdivision 2; 325F.6644, subdivision 2.

CAL R. LUDEMAN, Secretary of the Senate

Benson, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 2239, 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 Senate Files, herewith transmitted:

S. F. Nos. 396, 1553, 1749, 2360 and 2464.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 396, A bill for an act relating to agriculture; modifying the classification of horses as livestock; amending Minnesota Statutes 2010, section 17.459, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 2010, section 17.459, subdivision 3.

The bill was read for the first time.

Anderson, B., moved that S. F. No. 396 and H. F. No. 539, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1553, A bill for an act relating to health; providing a temporary permit to practice without compensation to dentists or dental hygienists licensed in another state; amending Minnesota Statutes 2010, section 150A.06, subdivision 2c; Laws 2011, First Special Session chapter 9, article 10, section 8, subdivision 8.

The bill was read for the first time.

Davids moved that S. F. No. 1553 and H. F. No. 1972, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1749, A bill for an act relating to data practices; authorizing access to Department of Natural Resources electronic licensing data for certain purposes; amending Minnesota Statutes 2010, section 84.0874.

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

S. F. No. 2360, A bill for an act relating to health; amending health professional education loan forgiveness program requirements; amending Laws 2011, First Special Session chapter 9, article 2, section 30.

The bill was read for the first time.

Garofalo moved that S. F. No. 2360 and H. F. No. 2587, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2464, A bill for an act relating to public safety; requiring a modification to the sex offender sentencing grid.

The bill was read for the first time.

Wardlow moved that S. F. No. 2464 and H. F. No. 2896, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 203:

Westrom, Drazkowski and Hosch.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1816:

Benson, M.; Scott and Dittrich.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2239:

Benson, M.; Gauthier and Vogel.

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

Dean moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

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

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2738

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

April 2, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

We, the undersigned conferees for H. F. No. 2738 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2738 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, article VII, section 1, will read:

Section 1. (a) Every person 18 years of age or more who has been a citizen of the United States for three months and who has resided in the precinct for 30 days next preceding an election shall be entitled to vote in that precinct. The place of voting by one otherwise qualified who has changed his residence within 30 days preceding the election shall be prescribed by law. The following persons shall not be entitled or permitted to vote at any election in this state: A person not meeting the above requirements; a person who has been convicted of treason or felony, unless restored to civil rights; a person under guardianship, or a person who is insane or not mentally competent.

(b) All voters voting in person must present valid government-issued photographic identification before receiving a ballot. The state must issue photographic identification at no charge to an eligible voter who does not have a form of identification meeting the requirements of this section. A voter unable to present government-issued photographic identification must be permitted to submit a provisional ballot. A provisional ballot must only be counted if the voter certifies the provisional ballot in the manner provided by law.

(c) All voters, including those not voting in person, must be subject to substantially equivalent identity and eligibility verification prior to a ballot being cast or counted.

Sec. 2. **SUBMISSION TO VOTERS.**

(a) The proposed amendment must be submitted to the people at the 2012 general election. If approved, the amendment is effective July 1, 2013, for all voting at elections scheduled to be conducted November 5, 2013, and thereafter. The question submitted must be:

"Shall the Minnesota Constitution be amended to require all voters to present valid photo identification to vote and to require the state to provide free identification to eligible voters, effective July 1, 2013?"

Yes
No

(b) The title required under Minnesota Statutes, section 204D.15, subdivision 1, for the question submitted to the people under paragraph (a) shall be: "Photo Identification Required for Voting."

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

House Conferees: MARY KIFFMEYER, SARAH ANDERSON, MIKE BENSON, KEITH DOWNEY and STEVE DRAZKOWSKI.

Senate Conferees: SCOTT J. NEWMAN, WARREN LIMMER, DAVE A. THOMPSON, THEODORE J. "TED" DALEY and TED H. LILLIE.

Kiffmeyer moved that the report of the Conference Committee on H. F. No. 2738 be adopted and that the bill be repassed as amended by the Conference Committee.

Pursuant to rule 1.50, Dean moved that the House be allowed to continue in session after 12:00 midnight. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Holberg announced her intention to place S. F. No. 2493; H. F. Nos. 2580, 2729, 2164 and 2754; and S. F. No. 1543 on the Fiscal Calendar for Wednesday, April 4, 2012.

The question recurred on the Kiffmeyer motion that the report of the Conference Committee on H. F. No. 2738 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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

H. F. No. 2738, as amended by Conference, was read for the third time.

CALL OF THE HOUSE

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

Abeler	Anderson, D.	Anzcl	Beard	Bills	Carlson
Allen	Anderson, P.	Banaian	Benson, J.	Brynaert	Champion
Anderson, B.	Anderson, S.	Barrett	Benson, M.	Buesgens	Clark

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

All members answered to the call and it was so ordered.

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

The bill, as amended by Conference, was placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 72 yeas and 57 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Clark	Fritz	Hilty	Kath	Liebling
Anzelc	Davnie	Gauthier	Hornstein	Knuth	Lillie
Benson, J.	Dill	Greene	Hortman	Koenen	Loeffler
Brynaert	Dittrich	Hansen	Hosch	Laine	Mahoney
Carlson	Eken	Hausman	Johnson	Lenczewski	Mariani
Champion	Falk	Hilstrom	Kahn	Lesch	Marquart

Melin	Murphy, E.	Paymar	Poppe	Slocum	Winkler
Moran	Murphy, M.	Pelowski	Rukavina	Thissen	
Morrow	Nelson	Persell	Scalze	Wagenius	
Mullery	Norton	Peterson, S.	Simon	Ward	

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

CALENDAR FOR THE DAY

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

MOTIONS AND RESOLUTIONS

Hamilton moved that the name of Dettmer be added as an author on H. F. No. 383. The motion prevailed.

Kiel moved that the name of Ward be added as an author on H. F. No. 682. The motion prevailed.

Lohmer moved that the name of Hortman be added as an author on H. F. No. 2626. The motion prevailed.

Scalze moved that her name be stricken as an author on H. F. No. 2910. The motion prevailed.

Franson moved that the names of Loon and Loeffler be added as authors on H. F. No. 2963. The motion prevailed.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 4, 2012. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, April 4, 2012.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

