

## STATE OF MINNESOTA

## EIGHTY-EIGHTH SESSION — 2013

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 SIXTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 20, 2013

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

Prayer was offered by the Reverend Dr. Jules Erickson, All Saints Lutheran Church, Cottage Grove, 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, M.	Hansen	Lenczewski	Nelson	Selcer
Albright	Dehn, R.	Hausman	Lesch	Newberger	Simon
Allen	Dettmer	Hertaus	Liebling	Newton	Simonson
Anderson, M.	Dill	Hilstrom	Lien	Nornes	Slocum
Anderson, P.	Dorholt	Holberg	Lillie	Norton	Sundin
Anderson, S.	Drazkowski	Hoppe	Loeffler	O'Driscoll	Swedzinski
Anzelc	Erhardt	Hornstein	Loon	O'Neill	Theis
Atkins	Erickson, R.	Hortman	Mahoney	Paymar	Torkelson
Barrett	Erickson, S.	Howe	Mariani	Pelowski	Uglen
Beard	Fabian	Huntley	Marquart	Persell	Urdahl
Benson, J.	Falk	Isaacson	Masin	Petersburg	Wagenius
Benson, M.	Faust	Johnson, B.	McNamar	Poppe	Ward, J.A.
Bernardy	Fischer	Johnson, C.	McNamara	Pugh	Ward, J.E.
Bly	FitzSimmons	Johnson, S.	Melin	Quam	Wills
Brynaert	Freiberg	Kahn	Metsa	Radinovich	Winkler
Carlson	Fritz	Kelly	Moran	Rosenthal	Woodard
Clark	Green	Kieffer	Morgan	Runbeck	Yarusso
Cornish	Gruenhagen	Kiel	Mullery	Savick	Zerwas
Daudt	Gunther	Kresha	Murphy, E.	Sawatzky	Spk. Thissen
Davids	Halverson	Laine	Murphy, M.	Schoen	
Davnie	Hamilton	Leidiger	Myhra	Scott	

A quorum was present.

Hackbarth, Mack and McDonald were excused until 11:35 a.m. Schomacker was excused until 11:45 a.m. Peppin and Sanders were excused until 11:50 a.m. Zellers was excused until 12:00 noon. Franson was excused until 12:05 p.m. Garofalo and Lohmer were excused until 12:25 p.m.

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

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 16, 2013

The Honorable Paul Thissen  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Thissen:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 760, 767, 1284, 634 and 459.

Sincerely,

MARK DAYTON  
Governor

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

The Honorable Paul Thissen  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2013 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2013</i>	<i>Date Filed 2013</i>
	760	62	5:31 p.m. May 16	May 16
	767	63	5:31 p.m. May 16	May 16
340		64	5:33 p.m. May 16	May 16
250		65	5:34 p.m. May 16	May 16
1564		66	5:35 p.m. May 16	May 16
	1284	67	5:36 p.m. May 16	May 16

	634	68	5:37 p.m. May 16	May 16
683		69	5:38 p.m. May 16	May 16
1234		70	5:40 p.m. May 16	May 16
	459	71	5:41 p.m. May 16	May 16

Sincerely,

MARK RITCHIE  
Secretary of State

### 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. 853, A bill for an act relating to public safety; fire and police department aid; modifying threshold for financial reports and audits; amending Minnesota Statutes 2012, section 69.051, subdivision 1.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1792, A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1823, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article IV, section 9; authorizing a council to establish salaries for legislators; changing the composition of the Compensation Council; amending Minnesota Statutes 2012, section 15A.082, subdivisions 1, 2, 3.

JOANNE M. ZOFF, 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. 1160, A bill for an act relating to judiciary; imposing certain court fees and surcharge; creating a court technology account in the special revenue fund; reimbursing certain expenses of Court of Appeals judges; modifying certain provisions related to guardians and conservators; appropriating money for judiciary, guardian ad litem board, tax court, Board on Judicial Standards, Board of Public Defense, Uniform Laws Commission, and sentencing guidelines; amending Minnesota Statutes 2012, sections 245C.32, subdivision 2; 357.021, subdivisions 6, 7, by adding a subdivision; 357.022; 480A.02, subdivision 7; 524.5-118, subdivision 1, by adding a subdivision; 524.5-303; 524.5-316; 524.5-403; 524.5-420; 629.59.

JOANNE M. ZOFF, Secretary of the Senate

Hausman moved that the House refuse to concur in the Senate amendments to H. F. No. 1160, 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 passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 271 and 827.

JOANNE M. ZOFF, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 271, A bill for an act relating to transportation; modifying application procedures and requirements for driver's license; creating driving privilege license and setting fee for issuance; amending Minnesota Statutes 2012, sections 171.01, subdivisions 37, 49a, by adding a subdivision; 171.06, subdivisions 1, 2, 3; 171.07, subdivision 1.

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

S. F. No. 827, 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 2012, sections 13.08, subdivision 4; 13.3806, by adding a subdivision; 13.383, subdivision 11a; 13.461, subdivision 2; 13.7191, subdivision 14; 13.7905, by adding a subdivision; 13.7931, by adding a subdivision; 13.82, subdivision 5; 13B.06, subdivisions 4, 7; 13B.07, subdivision 7; 14.57; 14.63; 15A.0815, subdivision 1; 15B.155, subdivision 4; 16A.727; 16A.965, subdivision 2; 28.04; 28A.0752, subdivision 1; 28A.085, subdivision 1; 29.21, subdivision 1; 29.22, subdivision 5; 31.02; 31.095; 31.15; 31.51, subdivision 1; 31.56, subdivision 1; 31.59, subdivision 1; 31.632; 31.671; 82.67, subdivision 1; 116.182, subdivision 5; 124D.111, subdivision 1; 126C.05, subdivision 15; 144.10; 144.125, subdivision 7; 144.56, subdivision 2; 148.65, subdivision 4; 148.741; 148B.591; 148D.061, subdivision 1; 150A.06, subdivision 2c; 169.011, by adding a subdivision; 216B.16, subdivision 6b; 216B.164, subdivision 9; 232.20; 232.21, subdivision 1;

232.24; 243.1606, subdivision 1; 245D.03, subdivision 2; 252.27, subdivision 2a; 256B.055, subdivision 1; 256B.0595, subdivision 4; 256J.21, subdivision 2; 256J.24, subdivision 3; 257.0755, subdivision 3; 257.0769, subdivision 1; 259.22, subdivision 4; 259.35, subdivision 1; 259.85, subdivision 1; 260C.007, subdivisions 6, 8; 260C.178, subdivision 1; 260C.503, subdivision 2; 272.488, subdivision 2; 275.066; 297E.021, subdivision 4; 299A.642, subdivision 4; 299A.78, subdivision 1; 299L.02, by adding a subdivision; 308A.931, subdivision 2; 336.9-313; 360.046, subdivision 1; 383A.13, subdivision 4; 390.32, subdivision 9; 463.04; 465.05; 469.169, subdivisions 12, 14, 15, 16, 17, 18; 469.1763, subdivision 2; 471.982, subdivision 3; 473J.14; 504B.285, subdivision 1c; 518B.02, subdivision 3; 524.3-803; 580.041, subdivision 2a; 609.233, subdivision 1a; 609B.445; 611A.02, subdivisions 2, 3; 611A.201, subdivisions 1, 2, 5; 611A.37, subdivisions 2, 3; 611A.373; 611A.46; 611A.77, subdivisions 1, 2, 3; 626.556, subdivision 2; 626.9517, subdivision 1; 629.341, subdivision 4; Laws 2010, chapter 375, section 11; Laws 2012, chapter 199, section 6; Laws 2012, chapter 293, section 13, subdivision 3; repealing Minnesota Statutes 2012, sections 2.031, subdivision 2; 2.444; 2.484; 13.717, subdivisions 6, 7; 260C.301, subdivision 3; 325E.3161; 473.618; Laws 2007, chapter 85, section 3; Laws 2012, chapter 216, article 9, section 4; Minnesota Rules, part 7200.0100, subpart 3a.

The bill was read for the first time.

#### DECLARATION OF URGENCY

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Yarusso moved that the rule therein be suspended and an urgency be declared and that the rules of the House be so far suspended so that S. F. No. 827 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 827 was read for the second time.

S. F. No 827, 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 2012, sections 13.08, subdivision 4; 13.3806, by adding a subdivision; 13.383, subdivision 11a; 13.461, subdivision 2; 13.7191, subdivision 14; 13.7905, by adding a subdivision; 13.7931, by adding a subdivision; 13.82, subdivision 5; 13B.06, subdivisions 4, 7; 13B.07, subdivision 7; 14.57; 14.63; 15A.0815, subdivision 1; 15B.155, subdivision 4; 16A.727; 16A.965, subdivision 2; 28.04; 28A.0752, subdivision 1; 28A.085, subdivision 1; 29.21, subdivision 1; 29.22, subdivision 5; 31.02; 31.095; 31.15; 31.51, subdivision 1; 31.56, subdivision 1; 31.59, subdivision 1; 31.632; 31.671; 82.67, subdivision 1; 116.182, subdivision 5; 124D.111, subdivision 1; 126C.05, subdivision 15; 144.10; 144.125, subdivision 7; 144.56, subdivision 2; 148.65, subdivision 4; 148.741; 148B.591; 148D.061, subdivision 1; 150A.06, subdivision 2c; 169.011, by adding a subdivision; 216B.16, subdivision 6b; 216B.164, subdivision 9; 232.20; 232.21, subdivision 1; 232.24; 243.1606, subdivision 1; 245D.03, subdivision 2; 252.27, subdivision 2a; 256B.055, subdivision 1; 256B.0595, subdivision 4; 256J.21, subdivision 2; 256J.24, subdivision 3; 257.0755, subdivision 3; 257.0769, subdivision 1; 259.22, subdivision 4; 259.35, subdivision 1; 259.85, subdivision 1; 260C.007, subdivisions 6, 8; 260C.178, subdivision 1; 260C.503, subdivision 2; 272.488, subdivision 2; 275.066; 297E.021, subdivision 4; 299A.642, subdivision 4; 299A.78, subdivision 1; 299L.02, by adding a subdivision; 308A.931, subdivision 2; 336.9-313; 360.046, subdivision 1; 383A.13, subdivision 4; 390.32, subdivision 9; 463.04; 465.05; 469.169, subdivisions 12, 14, 15, 16, 17, 18; 469.1763, subdivision 2; 471.982, subdivision 3; 473J.14; 504B.285, subdivision 1c; 518B.02, subdivision 3; 524.3-803; 580.041, subdivision 2a; 609.233, subdivision 1a; 609B.445; 611A.02, subdivisions 2, 3; 611A.201, subdivisions 1, 2, 5; 611A.37, subdivisions 2, 3; 611A.373; 611A.46; 611A.77, subdivisions 1, 2, 3; 626.556, subdivision 2; 626.9517, subdivision 1; 629.341, subdivision 4; Laws 2010, chapter 375, section 11; Laws 2012, chapter 199, section 6; Laws 2012, chapter 293, section 13, subdivision 3; repealing Minnesota Statutes 2012, sections 2.031, subdivision 2; 2.444; 2.484; 13.717, subdivisions 6, 7; 260C.301, subdivision 3; 325E.3161; 473.618; Laws 2007, chapter 85, section 3; Laws 2012, chapter 216, article 9, section 4; Minnesota Rules, part 7200.0100, subpart 3a.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hausman	Lesch	Newberger	Simon
Albright	Dettmer	Hertaus	Liebling	Newton	Simonson
Allen	Dill	Hilstrom	Lien	Nornes	Slocum
Anderson, M.	Dorholt	Holberg	Lillie	Norton	Sundin
Anderson, P.	Drazkowski	Hoppe	Loeffler	O'Driscoll	Swedzinski
Anderson, S.	Erhardt	Hornstein	Loon	O'Neill	Theis
Anzelc	Erickson, R.	Hortman	Mahoney	Paymar	Torkelson
Atkins	Erickson, S.	Howe	Mariani	Pelowski	Uglen
Bead	Fabian	Huntley	Marquart	Persell	Urdahl
Benson, J.	Falk	Isaacson	Masin	Petersburg	Wagenius
Benson, M.	Faust	Johnson, B.	McNamar	Poppe	Ward, J.A.
Bernardy	Fischer	Johnson, C.	McNamara	Pugh	Ward, J.E.
Bly	FitzSimmons	Johnson, S.	Melin	Quam	Wills
Brynaert	Freiberg	Kahn	Metsa	Radinovich	Winkler
Carlson	Fritz	Kelly	Moran	Rosenthal	Woodard
Clark	Green	Kieffer	Morgan	Runbeck	Yarusso
Cornish	Gruenhagen	Kiel	Mullery	Savick	Zerwas
Daudt	Gunther	Kresha	Murphy, E.	Sawatzky	Spk. Thissen
Davids	Halverson	Laine	Murphy, M.	Schoen	
Davnie	Hamilton	Leidiger	Myhra	Scott	
Dean, M.	Hansen	Lenczewski	Nelson	Selcer	

The bill was passed and its title agreed to.

Mr. Speaker:

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

S. F. No. 1270.

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

JOANNE M. ZOFF, Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1270

A bill for an act relating to transportation; modifying provisions governing transportation and public safety policies, including highway signs, highway jurisdictions, accounts, state-aid definitions and variances, vehicle registration and license plates, record retention, conformance with federal law, motor vehicle dealers, type III vehicles, bicycle lanes, speed limit, disability parking, school bus safety, vehicle weights, background checks, senior identification cards, Department of Transportation offices and ombudsperson and surplus land, railroad crossing signs, bus rapid transit, transit planning, operations, and accessibility, and land conveyance; amending Minnesota Statutes 2012, sections 160.80, subdivisions 1, 1a, 2; 161.04, subdivision 5; 161.115, subdivision 229, by adding a subdivision; 161.1231, subdivision 8; 161.44, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a;

162.13, subdivision 2; 168.017, subdivisions 2, 3; 168.053, subdivision 1; 168.123, subdivision 2; 168.183, subdivision 1; 168.187, subdivision 17; 168.27, subdivisions 10, 11, by adding a subdivision; 168A.153, subdivisions 1, 2, 3, by adding a subdivision; 168B.15; 169.011, subdivision 71; 169.14, subdivision 2; 169.18, subdivisions 4, 7; 169.19, subdivision 1; 169.34, subdivision 1; 169.346, subdivision 2, by adding a subdivision; 169.443, subdivision 9; 169.447, subdivision 2; 169.454, subdivision 12; 169.824, subdivision 2; 171.01, subdivision 49b; 171.07, subdivisions 3a, 4; 171.12, subdivision 6; 174.02, by adding a subdivision; 174.24, subdivision 5a; 219.17; 219.18; 219.20; 221.0314, subdivisions 2, 3a, 9a; 398A.04, by adding a subdivision; Laws 2002, chapter 393, section 85; Laws 2009, chapter 59, article 3, section 4, subdivision 9, as amended; proposing coding for new law in Minnesota Statutes, chapters 171; 174; repealing Minnesota Statutes 2012, sections 168.094; 174.24, subdivision 5; Minnesota Rules, parts 8820.3300, subpart 2; 8835.0330, subpart 2.

May 9, 2013

The Honorable Sandra L. Pappas  
President of the Senate

The Honorable Paul Thissen  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1270 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1270 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 160.21, subdivision 6, is amended to read:

Subd. 6. **Uncompleted subdivisions.** (a) A road authority, including a statutory or home rule charter city, may remove snow from unopened or private roads in uncompleted subdivisions containing five or more lots, upon adoption of an annual resolution finding that the subdivision developer, due to general insolvency or pending foreclosure, is unable to maintain the roads and that public safety may be jeopardized if the access of school buses, public works vehicles, or authorized emergency vehicles, as defined in section 169.011, subdivision 3, is obstructed. Snow removal activities are limited to streets reasonably necessary for access by these buses or vehicles.

(b) Snow removal under this subdivision does not constitute:

(1) acceptance of the road from the developer by the road authority for public use;

(2) the opening of the road to public use; nor

(3) a use, repair, or maintenance of the road sufficient for the purposes of dedication of roads under section 160.05.

(c) The road authority may impose a reasonable and proportionate charge on all properties within the subdivision for services provided under this subdivision. These charges, if unpaid, may constitute a lien upon the properties within the subdivision and may be collected as a special assessment as provided by section 429.101 or by charter.

(d) Where a road has been maintained pursuant to this subdivision, the road authority with jurisdiction over the road, and its officers and employees, are exempt from liability for any tort claim for injury to person or property arising from plowing, maintaining, or otherwise working on the road and from traveling on the road and related to its maintenance or condition. This paragraph does not apply to a claim for injury that is affirmatively caused by a negligent act of the road authority or its officers and employees.

(e) This subdivision expires May 2, ~~2013~~ 2014.

**EFFECTIVE DATE.** This section is effective retroactively from May 1, 2013.

Sec. 2. Minnesota Statutes 2012, section 160.80, subdivision 1, is amended to read:

Subdivision 1. **Commissioner may establish program.** (a) The commissioner of transportation may establish a sign franchise program for the purpose of providing on the right-of-way of interstate and controlled-access trunk highways specific information on gas, food, camping, lodging, attractions, and 24-hour pharmacies for the benefit of the motoring public.

(b) The sign franchise program must include urban interstate highways.

Sec. 3. Minnesota Statutes 2012, section 160.80, subdivision 1a, is amended to read:

Subd. 1a. **Eligibility criteria for business panels.** (a) To be eligible for a business panel on a logo sign panel, a business establishment must:

(1) be open for business;

(2) have a sign on site that both identifies the business and is visible to motorists;

(3) be open to everyone, regardless of race, religion, color, age, sex, national origin, creed, marital status, sexual orientation, or disability; and

(4) ~~not impose a cover charge or otherwise require customers to purchase additional products or services; and~~

~~(5)~~ meet the appropriate criteria in paragraphs (b) to ~~(f)~~ (k).

(b) Gas businesses must provide vehicle services including ~~fuel~~ gas or alternative fuels and oil; restroom facilities and drinking water; continuous, staffed operation at least 12 hours a day, seven days a week; and public access to a telephone.

(c) Food businesses must serve at least two meals a day during normal mealtimes of breakfast, lunch, and dinner; provide a continuous, staffed food service operation at least ~~ten hours a day, seven days a~~ six days per week except holidays as defined in section 645.44, subdivision 5, and except as provided for seasonal food service businesses; provide seating capacity for at least 20 people; provide restroom facilities; provide public access to a telephone; and possess any required state or local licensing or approval. Seasonal food service businesses must provide a continuous, staffed food service operation ~~at least ten hours a day~~ at least two meals per day six days per week, seven days a week, during their months of operation.

(d) Lodging businesses must include sleeping accommodations, provide public access to a telephone, provide restroom facilities, and possess any required state or local licensing or approval.

(e) Camping businesses must include sites for camping, include parking accommodations for each campsite, provide sanitary facilities and drinking water, and possess any required state or local licensing or approval.

(f) 24-hour pharmacy businesses must be continuously operated 24 hours per day, seven days per week, and must have a state-licensed pharmacist present and on duty at all times.

~~(g)~~ Attractions businesses must have regional significance with the primary purpose of providing amusement, historical, cultural, or leisure activities to the public; provide restroom facilities and drinking water; possess any required state or local licensing approval; and provide adequate bus and vehicle parking accommodations for normal attendance.

~~(g)~~ (h) Seasonal businesses must indicate to motorists when they are open for business by either putting the full months of operation directly on the business panel or by having a "closed" plaque applied to the business panel when the business is closed for the season.

~~(h)~~ (i) The maximum distance that an eligible business in ~~Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington County~~ an urban area can be located from the interchange is: for gas, food, lodging, attraction, and 24-hour pharmacy businesses, ~~one mile~~ three miles; for food businesses, ~~two miles~~; for lodging businesses and 24-hour pharmacies, ~~three miles~~; and for camping businesses, ten miles.

~~(i)~~ (j) The maximum distance that an eligible business in ~~any other county~~ a rural area can be located from the interchange shall not exceed 15 miles in either direction, except the maximum distance that an eligible 24-hour pharmacy business can be located from the interchange shall not exceed three miles in either direction.

~~(j)~~ Logo sign panels must be erected so that motorists approaching an interchange view the panels in the following order: 24 hour pharmacy, camping, lodging, food, gas.

~~(k)~~ If there is insufficient space on a logo sign panel to display all eligible businesses for a specific type of service, the businesses closest to the interchange have priority over businesses farther away from the interchange.

(k) If there is available space on a logo sign panel and no application has been received by the franchise from a fully eligible business, a substantially eligible business may be allowed the space.

Sec. 4. Minnesota Statutes 2012, section 160.80, subdivision 2, is amended to read:

Subd. 2. **Franchises.** The commissioner may, by public negotiation or bid, grant one or more franchises to qualified persons to erect and maintain, on the right-of-way of interstate and controlled-access trunk highways, signs informing the motoring public of gas, food, lodging, camping facilities, attractions, and 24-hour pharmacies. A franchisee shall furnish, install, maintain, and replace signs for the benefit of advertisers who provide gas, food, lodging, camping facilities, attractions, and 24-hour pharmacies for the general public, and lease advertising space on the signs to operators of these facilities.

Sec. 5. Minnesota Statutes 2012, section 161.04, subdivision 5, is amended to read:

Subd. 5. **Trunk highway emergency relief account.** (a) The trunk highway emergency relief account is created in the trunk highway fund. Money in the account is appropriated to the commissioner to be used to fund relief activities related to an emergency, as defined in section 161.32, subdivision 3, or under section 12A.16, subdivision 1.

(b) Reimbursements by the Federal Highway Administration for emergency relief payments made from the trunk highway emergency relief account must be credited to the account. ~~Interest accrued on the account must be credited to the account.~~ Notwithstanding section 16A.28, money in the account is available until spent. If the balance of the account at the end of a fiscal year is greater than \$10,000,000, the amount above \$10,000,000 must be canceled to the trunk highway fund.

(c) By September 1, 2012, and in every subsequent even-numbered year by September 1, the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over transportation policy and finance. The report must include the balance, as well as details of payments made from and deposits made to the trunk highway emergency relief account since the last report.

Sec. 6. Minnesota Statutes 2012, section 161.115, subdivision 229, is amended to read:

Subd. 229. **Route No. 298.** Beginning at a point on Route No. 21 in the city of Faribault; thence extending in a southerly and easterly direction ~~through the grounds of the Minnesota State Academy for the Blind, the Faribault Regional Treatment Center, and the Minnesota Correctional Facility—Faribault~~ to a point on Route No. 323.

Sec. 7. Minnesota Statutes 2012, section 161.115, is amended by adding a subdivision to read:

Subd. 270. **Route No. 339.** Beginning at a point on Route No. 45, thence extending easterly to a point on the boundary line between the states of Minnesota and Wisconsin.

Sec. 8. Minnesota Statutes 2012, section 161.1231, subdivision 8, is amended to read:

Subd. 8. **Special account.** Fees collected by the commissioner under this section must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner to construct, operate, repair, and maintain: (1) the parking facilities and the high-occupancy vehicle, (2) managed lanes on I-394, and (3) related multimodal and technology improvements that serve users of the parking facilities.

Sec. 9. Minnesota Statutes 2012, section 161.44, is amended by adding a subdivision to read:

Subd. 1a. **Periodic review.** (a) The commissioner is encouraged to examine all real property owned by the state and under the custodial control of the department to decide whether any real property may be suitable for sale or some other means of disposal.

(b) The commissioner may not sell or otherwise dispose of property under this subdivision unless: (1) an analysis has been performed of suitability of the property for bicycle or pedestrian facilities, which must take into account any relevant nonmotorized transportation plans or in the absence of such plans, demographic and development factors affecting the region; and (2) the analysis demonstrates that (i) the property is not reasonably suitable for bicycle or pedestrian facilities, and (ii) there is not a likelihood of facility development involving the property.

(c) The commissioner shall report the findings under paragraph (a) to the house of representatives and senate committees with jurisdiction over transportation policy and finance by March 1 of each odd-numbered year. The report may be submitted electronically, and is subject to section 3.195, subdivision 1.

Sec. 10. Minnesota Statutes 2012, section 162.02, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

~~(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of receiving the variance request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.~~

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 11. Minnesota Statutes 2012, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) ~~The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter.~~ The commissioner may grant or deny the variance within 30 days of providing notice of receiving the variance request. ~~If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.~~

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 12. Minnesota Statutes 2012, section 162.13, subdivision 2, is amended to read:

Subd. 2. **Money needs defined.** For the purpose of this section money needs of each city having a population of 5,000 or more are defined as the estimated cost of constructing and maintaining over a period of 25 years the municipal state-aid street system in such city. Right-of-way costs and drainage shall be included in money needs. Lighting costs and other costs incidental to construction and maintenance, or a specified portion of such costs, as set forth in the commissioner's rules, may be included in determining money needs. ~~When a county locates a county state aid highway over a portion of a street in any such city and the remaining portion is designated as a municipal state aid street only the construction and maintenance costs of the portion of the street other than the portions taken over by the county shall be included in the money needs of the city.~~ To avoid variances in costs due to differences in construction and maintenance policy, construction and maintenance costs shall be estimated on the basis of the engineering standards developed cooperatively by the commissioner and the engineers, or a committee thereof, of the cities.

Sec. 13. Minnesota Statutes 2012, section 168.017, subdivision 2, is amended to read:

Subd. 2. **12 uniform registration periods.** There are established 12 registration periods, each to be designated by a calendar month and to start on the first day of such month and end on the last day of the 12th month from the date of commencing. ~~The registrar shall administer the monthly series system of registration to distribute the work of registering vehicles described in subdivision 1 as uniformly as practicable through the calendar year. The registrar shall register all vehicles subject to registration under the monthly series system for a minimum period of 12 consecutive calendar months.~~

Sec. 14. Minnesota Statutes 2012, section 168.017, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** ~~(a)~~ The registrar shall register all vehicles subject to registration under the monthly series system for a period of 12 consecutive calendar months, unless:

(1) the application is an original ~~rather than renewal application~~ under section 168.127; or

(2) the applicant is a licensed motor vehicle lessor under section 168.27 and the vehicle is leased or rented for periods of time of not more than 28 days, in which case the applicant may apply for initial or renewed registration of a vehicle for a period of four or more months, the month of expiration to be designated by the applicant at the time of registration. To qualify for this exemption, the applicant must present the application to ~~the registrar at St. Paul,~~

or a designated deputy registrar office. Subsequent registration periods when the applicant is not a qualified motor vehicle lessor under this subdivision must be for a period of 12 months commencing from the last month for which registration was issued.

~~(b) In any instance except that of a licensed motor vehicle lessor, the registrar shall not approve registering the vehicle subject to the application for a period of less than three months, except when the registrar determines that to do otherwise will help to equalize the registration and renewal work load of the department.~~

Sec. 15. Minnesota Statutes 2012, section 168.053, subdivision 1, is amended to read:

Subdivision 1. **Application; fee; penalty.** Any person, firm, or corporation engaged in the business of transporting motor vehicles owned by another, by delivering, by drive-away or towing methods, either singly or by means of the full mount method, the saddle mount method, the tow bar method, or any other combination thereof, and under their own power, vehicles over the highways of the state from the manufacturer or any other point of origin, to any point of destination, within or without the state, shall make application to the registrar for a drive-away in-transit license. This application for annual license shall be accompanied by a registration fee of \$250 and contain such information as the registrar may require. Upon the filing of the application and the payment of the fee, the registrar shall issue to each drive-away operator a drive-away in-transit license plate, which must be carried and displayed on the power unit consistent with section 169.79 and the plate shall remain on the vehicle while being operated within the state Minnesota. The license plate issued under this subdivision is not valid for the purpose of permanent vehicle registration and is not valid outside Minnesota. Additional drive-away in-transit license plates desired by any drive-away operator may be secured from the registrar of motor vehicles upon the payment of a fee of \$5 for each set of additional license plates. Any person, firm, or corporation engaging in the business as a drive-away operator, of transporting and delivering by means of full mount method, the saddle mount method, the tow bar method, or any combination thereof, and under their own power, motor vehicles, who fails or refuses to file or cause to be filed an application, as is required by law, and to pay the fees therefor as the law requires, shall be found guilty of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined not less than \$50, and not more than \$100, and all costs of court. Each day so operating without securing the license and plates as required ~~therein~~ shall constitute a separate offense ~~within the meaning thereof.~~

Sec. 16. Minnesota Statutes 2012, section 168.123, subdivision 2, is amended to read:

Subd. 2. **Design.** The commissioner of veterans affairs shall design the emblem for the veterans' special plates, subject to the approval of the commissioner, that satisfy the following requirements:

(a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, in the active military service in a branch of the armed forces of the United States or a nation or society allied with the United States the special plates must bear the inscription "VIETNAM VET." ~~and the letters "V" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.~~

(b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL HARBOR SURVIVOR." ~~and the letters "P" and "H" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.~~

(c) For a veteran who served during ~~World War I or~~ World War II, the plates must bear the inscription "WORLD WAR VET." ~~and:~~

~~(1) for a World War I veteran, the characters "W" and "I" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number; or~~

~~(2) for a World War II veteran, the characters "W" and "II" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number.~~

(d) For a veteran who served during the Korean Conflict, the special plates must bear the inscription "KOREAN VET," and the letters "K" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(e) For a combat wounded veteran who is a recipient of the Purple Heart medal, the plates must bear the inscription "COMBAT WOUNDED VET" and have a facsimile or an emblem of the official Purple Heart medal and the letters "C" over "W" with the first letter directly over the second letter just preceding the first numeral of the special plate number.

A member of the United States armed forces who is serving actively in the military and who is a recipient of the Purple Heart medal is also eligible for this license plate. The commissioner of public safety shall ensure that information regarding the required proof of eligibility for any applicant under this paragraph who has not yet been issued military discharge papers is distributed to the public officials responsible for administering this section.

(f) For a Persian Gulf War veteran, the plates must bear the inscription "GULF WAR VET," and the letters "G" and "W" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number. For the purposes of this section, "Persian Gulf War veteran" means a person who served on active duty after August 1, 1990, in a branch of the armed forces of the United States or a nation or society allied with the United States or the United Nations during Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian Gulf area combat zone as designated in United States Presidential Executive Order No. 12744, dated January 21, 1991.

(g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "LAOS WAR VET," and the letters "L" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(h) For a veteran who is the recipient of:

(1) the Iraq Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "IRAQ WAR VET" directly below the special plate number;

(2) the Afghanistan Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "AFGHAN WAR VET" directly below the special plate number;

(3) the Global War on Terrorism Expeditionary Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number; or

(4) the Armed Forces Expeditionary Medal, the special plates must bear an appropriate inscription that includes a facsimile of that medal.

(i) For a veteran who is the recipient of the Global War on Terrorism Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number. In addition, any member of the National Guard or other military reserves who has been ordered to federally funded state active service under United States Code, title 32, as defined in section 190.05, subdivision 5b, and who is the recipient of the Global War on Terrorism Service Medal, is eligible for the license plate described in this paragraph, irrespective of whether that person qualifies as a veteran under section 197.447.

(j) For a veteran who is the recipient of the Korean Defense Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "KOREAN DEFENSE SERVICE" directly below the special plate number.

(k) For a veteran who is a recipient of the Bronze Star medal, the plates must bear the inscription "BRONZE STAR VET" and have a facsimile or an emblem of the official Bronze Star medal.

(l) For a veteran who is a recipient of the Silver Star medal, the plates must bear the inscription "SILVER STAR VET" and have a facsimile or an emblem of the official Silver Star medal.

Sec. 17. Minnesota Statutes 2012, section 168.183, subdivision 1, is amended to read:

Subdivision 1. **Payment of taxes.** All trucks, truck-tractors, ~~trailers and semitrailers,~~ trucks using combination, and buses which comply with all of the provisions of section 168.181, subdivision 1, clause (6), but are excluded from the exemptions ~~provided therein~~ solely because of the ~~intrastate~~ temporary nature of their movement in this state, ~~owned by nonresidents owning or operating circuses, carnivals or similar amusement attractions or concessions~~ shall be required to comply with all laws and rules as to the payment of taxes applicable to like vehicles owned by Minnesota residents ~~but such, except that~~ nonresidents may make application to pay ~~such the~~ tax for each vehicle proportionate to the number of months or fraction thereof ~~such the~~ vehicles are in this state. For the purposes of this subdivision, buses do not include charter buses that are considered prortable vehicles under section 168.187, subdivision 4.

Sec. 18. Minnesota Statutes 2012, section 168.187, subdivision 17, is amended to read:

Subd. 17. **Trip permit.** Subject to agreements or arrangements made or entered into pursuant to subdivision 7, the commissioner may issue trip permits for use of Minnesota highways by individual vehicles, on an occasional basis, for periods not to exceed 120 hours in compliance with rules promulgated pursuant to subdivision 23 and upon payment of a fee of \$15. For the purposes of this subdivision, "on an occasional basis" means no more than one permit per vehicle within a 30-day period, which begins the day a permit is effective.

Sec. 19. Minnesota Statutes 2012, section 168.27, is amended by adding a subdivision to read:

Subd. 3d. **Used vehicle parts dealer.** A used vehicle parts dealer licensee may sell, solicit, or advertise the sale of used parts and the remaining scrap metals, but is prohibited from selling any new or used motor vehicles for use at retail or for resale to a dealer.

Sec. 20. Minnesota Statutes 2012, section 168.27, subdivision 10, is amended to read:

Subd. 10. **Place of business.** (a) All licensees under this section shall have an established place of business which shall include as a minimum:

(1) For a new motor vehicle dealer, the following:

(i) a commercial building owned or under lease by the licensee. The lease must be for a minimum term of one year. The building must contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours. Dealership business hours must be conspicuously posted on the place of doing business and readily viewable by the public;

(ii) a bona fide contract or franchise (A) in effect with a manufacturer or distributor of the new motor vehicles the dealer proposes to sell, broker, wholesale, or auction, or (B) in effect with the first-stage manufacturer or distributor of new motor vehicles purchased from a van converter or modifier which the dealer proposes to sell, broker, wholesale, or auction, or (C) in effect with the final-stage manufacturer of the new type A, B, or C motor homes which the dealer proposes to sell, broker, wholesale, or auction;

(iii) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. The service may be provided through contract with bona fide operators actually engaged in the services;

(iv) an area either indoors or outdoors to display motor vehicles that is owned or under lease by the licensee; and

(v) a sign readily viewable by the public that clearly identifies the dealership by name.

(2) For a used motor vehicle dealer, the following:

(i) a commercial building owned or under lease by the licensee. The lease must be for a minimum term of one year. The building must contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or automatic telephone answering service during normal business hours. Dealership business hours must be conspicuously posted on the place of doing business and readily viewable by the public;

(ii) an area either indoors or outdoors to display motor vehicles which is owned or under lease by the licensee; and

(iii) a sign readily viewable by the public that clearly identifies the dealership by name.

(3) For a motor vehicle lessor, the following: a commercial office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours. Business hours must be conspicuously posted on the place of doing business and readily viewable by the public. The office space must be owned or under lease for a minimum term of one year by the licensee.

(4) For a motor vehicle wholesaler, the following: a commercial office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours. The office space must be owned or under lease for a minimum term of one year by the licensee.

(5) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease must be for a minimum term of one year. The building must contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(6) For a motor vehicle broker, the following: a commercial office space where books, records, and files necessary to conduct business are kept and maintained with personnel available during normal business hours, or an automatic telephone answering service available during normal business hours. A sign, clearly identifying the motor vehicle broker by name and listing the broker's business hours, must be posted in a location and manner readily viewable by a member of the public visiting the office space. The office space must be owned or under lease for a minimum term of one year by the licensee.

(7) For a limited used vehicle license holder, the following: a commercial office space where books, records, and files necessary to conduct nonprofit charitable activities are kept and maintained with personnel available during normal business hours, or an automatic telephonic answering service available during normal business hours. The office space must be owned or under lease for a minimum term of one year by the licensee.

(b) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places must be listed on the application. If additional places of business are maintained outside of one county, separate licenses must be obtained for each county.

(c) If a motor vehicle lessor, wholesaler, auctioneer, or motor vehicle broker maintains more than one permanent place of doing business, either in one or more counties, the separate places must be listed in the application, but only one license is required. If a lessor proposes to sell previously leased or rented vehicles or if a broker proposes to establish an office at a location outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2, other than cities of the first class, the lessor or broker must obtain a license for each nonmetropolitan area county in which the lessor's sales are to take place or where the broker proposes to locate an office.

(d) If a motor vehicle dealer, lessor, wholesaler, or motor vehicle broker does not have direct access to a public road or street, any privately owned roadway providing access to a public road or street must be clearly identified and adequately maintained.

(e) A new or used motor vehicle dealer may establish a temporary place of business outside the county where it maintains its licensed location to sell horse trailers exclusively without obtaining an additional license.

(f) A new or used motor vehicle dealer may establish a temporary place of business outside the county where it maintains its licensed location to sell recreational vehicles exclusively without obtaining an additional license if:

(1) the dealer establishes a temporary place of business for the sale of recreational vehicles not more than four times during any calendar year;

(2) each temporary place of business other than an official county fair or the Minnesota State Fair within the seven-county metropolitan area, as defined in section 473.121, subdivision 2, is established jointly with at least four other recreational vehicle dealers;

(3) each temporary place of business other than an official county fair outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2, is established jointly with at least one other recreational vehicle dealer;

(4) each establishment of a temporary place of business for the sale of recreational vehicles is for no more than 12 consecutive days; and

(5) the dealer notifies the registrar of motor vehicles of each temporary place of business for the sale of recreational vehicles.

Sec. 21. Minnesota Statutes 2012, section 168.27, subdivision 11, is amended to read:

Subd. 11. **Dealers' licenses; location change notice; fee.** (a) Application for a dealer's license or notification of a change of location of the place of business on a dealer's license must include a street address, not a post office box, and is subject to the commissioner's approval.

(b) Upon the filing of an application for a dealer's license and the proper fee, unless the application on its face appears to be invalid, the commissioner shall grant a 90-day temporary license. During the 90-day period following issuance of the temporary license, the commissioner shall inspect the place of business site and insure compliance with this section and rules adopted under this section.

(c) The commissioner may extend the temporary license 30 days to allow the temporarily licensed dealer to come into full compliance with this section and rules adopted under this section.

(d) In no more than 120 days following issuance of the temporary license, the dealer license must either be granted or denied.

(e) A license must be denied under the following conditions:

(1) The license must be denied if within the previous ten years the applicant was enjoined due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of violating United States Code, title 15, sections 1981 to 1991 or pleaded guilty, entered a plea of nolo contendere or no contest, or has been found guilty in a court of competent jurisdiction of any charge of failure to pay state or federal income or sales taxes or felony charge of forgery, embezzlement, obtaining money under false pretenses, theft by swindle, extortion, conspiracy to defraud, or bribery.

~~(2) The license must also be denied if within the previous year the applicant has been denied a dealer license.~~

~~(3)~~ (2) A license must also be denied if the applicant has had a dealer license revoked within the previous ten years.

(f) If the application is approved, the commissioner shall license the applicant as a dealer for one year from the date the temporary license is granted and issue a certificate of license that must include a distinguishing number of identification of the dealer. The license must be displayed in a prominent place in the dealer's licensed place of business.

(g) Each initial application for a license must be accompanied by a fee of \$100 in addition to the annual fee. The annual fee is \$150. The initial fees and annual fees must be paid into the state treasury and credited to the general fund except that \$50 of each initial and annual fee must be paid into the vehicle services operating account in the special revenue fund under section 299A.705.

Sec. 22. Minnesota Statutes 2012, section 168A.153, subdivision 1, is amended to read:

Subdivision 1. **Older model vehicle.** (a) A dealer who buys an older model vehicle to dismantle or destroy must:

(1) obtain the certificate of title or verify ownership on the department's electronic record;

(2) notify any secured parties; and

(3) retain the certificate of title or a copy of the motor vehicle record.

(b) A dealer who buys an older model vehicle to be dismantled dismantle or destroyed shall report to destroy must notify the department within 30 ten days including. The notification must be made electronically as prescribed by the registrar, and must include the vehicle's license plate number and identification number, and the seller's name and driver's license number.

(c) The records and information retained or submitted under paragraphs (a) and (b) shall be kept and maintained in a manner consistent with the requirements of section 168A.11, subdivision 3.

Sec. 23. Minnesota Statutes 2012, section 168A.153, subdivision 2, is amended to read:

Subd. 2. **Late-model or high-value vehicle.** (a) A dealer who buys a late-model or high-value vehicle to be dismantled dismantle or destroyed shall destroy must:

(1) obtain the certificate of title;

~~(2) notify the any secured party parties, if any, and the commissioner in the manner prescribed in subdivision 3. The dealer must then properly destroy the certificate of title; and~~

(3) retain the certificate of title or a copy of the motor vehicle record.

(b) A dealer who buys a late-model or high-value vehicle to dismantle or destroy must notify the department within ten days. The notification must be made electronically as prescribed by the registrar, must include the vehicle's license plate number and identification number, and must include the seller's name and driver's license number.

(c) The records and information retained or submitted under paragraphs (a) and (b) shall be kept and maintained in a manner consistent with the requirements of section 168A.11, subdivision 3.

Sec. 24. Minnesota Statutes 2012, section 168A.153, is amended by adding a subdivision to read:

Subd. 2a. **Purchase of abandoned vehicles from a dealer.** (a) Subdivision 1 does not apply to purchase of a scrap vehicle as an abandoned vehicle from a license holder under section 168.27 who is in possession of the vehicle for service or repair.

(b) A scrap vehicle dealer acquiring a scrap vehicle under this subdivision shall obtain the selling dealer's business name and address, a copy of the repair order, and, if available, a bill of sale or other evidence of open or legitimate purchase. The scrap vehicle dealer must notify the department within ten days. The notification must be made electronically as prescribed by the registrar, must include the vehicle's license plate number and identification number, and must include the seller's name.

(c) The records and information obtained or submitted under paragraph (b) shall be maintained in a manner consistent with the requirements of section 168A.11, subdivision 3.

Sec. 25. Minnesota Statutes 2012, section 168A.153, subdivision 3, is amended to read:

**Subd. 3. Notification on vehicle to be dismantled or destroyed; service fee.** Within the time frames prescribed in subdivisions 1 ~~and 2,~~ and 2a of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership purchased the vehicle to be dismantled or destroyed. The notification must be made electronically as prescribed by the registrar. The dealer may contract this service to a deputy registrar and the registrar may charge a fee not to exceed \$7 per transaction to provide this service.

Sec. 26. Minnesota Statutes 2012, section 168B.15, is amended to read:

#### **168B.15 TOW TRUCK PERMIT.**

The commissioner of transportation may issue permits to an applicant who pays a single \$300 annual fee to cover all tow trucks and towing vehicles owned by the applicant and meets any other conditions prescribed by the commissioner. The permit authorizes the tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, to exceed the length and weight limitations of ~~this~~ chapter 169.

Sec. 27. Minnesota Statutes 2012, section 169.011, subdivision 71, is amended to read:

**Subd. 71. School bus.** (a) "School bus" means a motor vehicle used to transport pupils to or from a school defined in section 120A.22, or to or from school-related activities, by the school or a school district, or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, a transit bus providing services as defined in section 174.22,

subdivision 7, or a vehicle otherwise qualifying as a type III vehicle under paragraph (h), when the vehicle is properly registered and insured and being driven by an employee or agent of a school district for nonscheduled or nonregular transportation.

(b) A school bus may be type A, type B, type C, or type D, multifunction school activity bus, or type III as provided in paragraphs (c) to (h).

(c) A "type A school bus" is a van conversion or bus constructed utilizing a cutaway front section vehicle with a left-side driver's door. This definition includes two classifications: type A-I, with a gross vehicle weight rating (GVWR) less than or equal to 14,500 pounds; and type A-II, with a GVWR greater than 14,500 pounds and less than or equal to 21,500 pounds.

(d) A "type B school bus" is constructed utilizing a stripped chassis. The entrance door is behind the front wheels. This definition includes two classifications: type B-I, with a GVWR less than or equal to 10,000 pounds; and type B-II, with a GVWR greater than 10,000 pounds.

(e) A "type C school bus" is constructed utilizing a chassis with a hood and front fender assembly. The entrance door is behind the front wheels. A "type C school bus" also includes a cutaway truck chassis or truck chassis with cab, with or without a left side door, and with a GVWR greater than 21,500 pounds.

(f) A "type D school bus" is constructed utilizing a stripped chassis. The entrance door is ahead of the front wheels.

(g) A "multifunction school activity bus" is a school bus that meets the definition of a multifunction school activity bus in Code of Federal Regulations, title 49, section 571.3. A vehicle that meets the definition of a type III vehicle is not a multifunction school activity bus.

(h) A "type III vehicle" is restricted to passenger ~~cars, station wagons, vans,~~ vehicles and buses having a maximum manufacturer's rated seating capacity of ten or fewer people, including the driver, and a gross vehicle weight rating of 10,000 pounds or less. A "type III vehicle" must not be outwardly equipped and identified as a type A, B, C, or D school bus or type A, B, C, or D Head Start bus. A van or bus converted to a seating capacity of ten or fewer and placed in service on or after August 1, 1999, must have been originally manufactured to comply with the passenger safety standards.

(i) In this subdivision, "gross vehicle weight rating" means the value specified by the manufacturer as the loaded weight of a single vehicle.

Sec. 28. Minnesota Statutes 2012, section 169.18, subdivision 4, is amended to read:

Subd. 4. **Passing on the right.** The driver of a vehicle may overtake and pass upon the right of another vehicle only upon the following conditions:

(1) when the vehicle overtaken is making or about to make a left turn;

(2) upon a street or highway with unobstructed pavement not occupied by parked vehicles of sufficient width for two or more lines of moving vehicles in each direction;

(3) upon a one-way street, or upon any roadway on which traffic is restricted to one direction of movement, where the roadway is free from obstructions and of sufficient width for two or more lines of moving vehicles;

(4) when the driver of a vehicle may overtake and pass another vehicle upon the right only under conditions permitting such movement in safety. In no event shall such movement be made by driving in a bicycle lane or onto the shoulder, whether paved or unpaved, or off the pavement or main-traveled portion of the roadway.

Sec. 29. Minnesota Statutes 2012, section 169.18, subdivision 7, is amended to read:

Subd. 7. **Laned highway.** When any roadway has been divided into two or more clearly marked lanes for traffic, the following rules, in addition to all others consistent herewith, shall apply:

(a) A vehicle shall be driven as nearly as practicable entirely within a single lane and shall not be moved from such lane until the driver has first ascertained that such movement can be made with safety.

(b) Upon a roadway which is not a one-way roadway and which is divided into three lanes, a vehicle shall not be driven in the center lane except when overtaking and passing another vehicle where the roadway is clearly visible and such center lane is clear of traffic within a safe distance, or in preparation for a left turn or where such center lane is at the time allocated exclusively to traffic moving in the direction the vehicle is proceeding, and is signposted to give notice of such allocation. The left lane of a three-lane roadway which is not a one-way roadway shall not be used for overtaking and passing another vehicle.

(c) Official signs may be erected directing slow-moving traffic to use a designated lane or allocating specified lanes to traffic moving in the same direction, and drivers of vehicles shall obey the directions of every such sign.

(d) Whenever a bicycle lane has been established on a roadway, any person operating a motor vehicle on such roadway shall not drive in the bicycle lane except to perform parking maneuvers in order to park where parking is permitted, to enter or leave the highway, or to prepare for a turn as provided in section 169.19, subdivision 1.

Sec. 30. Minnesota Statutes 2012, section 169.19, subdivision 1, is amended to read:

Subdivision 1. **Turning at intersection.** The driver of a vehicle intending to turn at an intersection shall do so as follows:

(a) Both the approach for a right turn and a right turn shall be made as close as practicable to the right-hand curb or edge of the roadway.

(b) Approach for a left turn on other than one-way roadways shall be made in that portion of the right half of the roadway nearest the centerline thereof, and after entering the intersection the left turn shall be made so as to leave the intersection to the right of the centerline of the roadway being entered. Whenever practicable the left turn shall be made in that portion of the intersection to the left of the center of the intersection.

(c) Approach for a left turn from a two-way roadway into a one-way roadway shall be made in that portion of the right half of the roadway nearest the centerline thereof and by passing to the right of such centerline where it enters the intersection.

(d) A left turn from a one-way roadway into a two-way roadway shall be made from the left-hand lane and by passing to the right of the centerline of the roadway being entered upon leaving the intersection.

(e) Where both streets or roadways are one way, both the approach for a left turn and a left turn shall be made as close as practicable to the left-hand curb or edge of the roadway.

(f) Local authorities in their respective jurisdictions may cause markers, buttons, or signs to be placed within or adjacent to intersections and thereby require and direct that a different course from that specified in this section be traveled by vehicles turning at an intersection, and when markers, buttons, or signs are so placed no driver of a vehicle shall turn a vehicle at an intersection other than as directed and required by such markers, buttons, or signs.

(g) Whenever it is necessary for the driver of a motor vehicle to cross a bicycle lane adjacent to the driver's lane of travel to make a turn, the driver shall first signal the movement, then drive the motor vehicle into the bicycle lane prior to making the turn, ~~and shall make the turn, but only after it is safe to do so.~~ The driver shall then make the turn consistent with any traffic markers, buttons, or signs, yielding the right-of-way to any vehicles or bicycles approaching so close thereto as to constitute an immediate hazard.

Sec. 31. Minnesota Statutes 2012, section 169.222, subdivision 2, is amended to read:

Subd. 2. **Manner and number riding.** No bicycle, including a tandem bicycle, cargo or utility bicycle, or trailer, shall be used to carry more persons at one time than the number for which it is designed and equipped, except ~~(1) on a baby seat attached to the bicycle, provided that the baby seat is equipped with a harness to hold the child securely in the seat and that protection is provided against the child's feet hitting the spokes of the wheel or (2) in a seat attached to the bicycle operator~~ an adult rider may carry a child in a seat designed for carrying children that is securely attached to the bicycle.

Sec. 32. Minnesota Statutes 2012, section 169.222, subdivision 4, is amended to read:

Subd. 4. **Riding rules.** (a) Every person operating a bicycle upon a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway except under any of the following situations:

(1) when overtaking and passing another vehicle proceeding in the same direction;

(2) when preparing for a left turn at an intersection or into a private road or driveway;

(3) when reasonably necessary to avoid conditions, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe to continue along the right-hand curb or edge; or

(4) when operating on the shoulder of a roadway or in a bicycle lane.

(b) If a bicycle is traveling on a shoulder of a roadway, the bicycle shall travel in the same direction as adjacent vehicular traffic.

(c) Persons riding bicycles upon a roadway or shoulder shall not ride more than two abreast and shall not impede the normal and reasonable movement of traffic and, on a laned roadway, shall ride within a single lane.

(d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

(e) An individual operating a bicycle or other vehicle on a bikeway shall leave a safe distance when overtaking a bicycle or individual proceeding in the same direction on the bikeway, and shall maintain clearance until safely past the overtaken bicycle or individual.

(f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances.

(g) A person may operate an electric-assisted bicycle on the shoulder of a roadway, on a bikeway, or on a bicycle trail if not otherwise prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as applicable.

Sec. 33. Minnesota Statutes 2012, section 169.222, subdivision 6, is amended to read:

Subd. 6. **Bicycle equipment.** (a) No person shall operate a bicycle at nighttime unless the bicycle or its operator is equipped with (1) a lamp which emits a white light visible from a distance of at least 500 feet to the front; and (2) a red reflector of a type approved by the Department of Public Safety which is visible from all distances from 100 feet to 600 feet to the rear when directly in front of lawful lower beams of headlamps on a motor vehicle. A bicycle equipped with lamps that are visible from a distance of at least 500 feet from both the front and the rear is deemed to fully comply with this paragraph.

(b) No person may operate a bicycle at any time when there is not sufficient light to render persons and vehicles on the highway clearly discernible at a distance of 500 feet ahead unless the bicycle or its operator is equipped with reflective surfaces that shall be visible during the hours of darkness from 600 feet when viewed in front of lawful lower beams of headlamps on a motor vehicle. The reflective surfaces shall include reflective materials on each side of each pedal to indicate their presence from the front or the rear and with a minimum of 20 square inches of reflective material on each side of the bicycle or its operator. Any bicycle equipped with side reflectors as required by regulations for new bicycles prescribed by the United States Consumer Product Safety Commission shall be considered to meet the requirements for side reflectorization contained in this subdivision.

(c) A bicycle may be equipped with a front lamp that emits a white flashing signal, or a rear lamp that emits a red flashing signal, or both.

(d) A bicycle may be equipped with tires having studs, spikes, or other protuberances designed to increase traction.

(e) No person shall operate a bicycle unless it is equipped with a rear brake or front and rear brakes which will enable the operator to make ~~the a~~ braked ~~wheels wheel~~ skid on dry, level, clean pavement. A bicycle equipped with a direct or fixed gear that can make the rear wheel skid on dry, level, clean pavement shall be deemed to fully comply with this paragraph.

(f) A bicycle may be equipped with a horn or bell designed to alert motor vehicles, other bicycles, and pedestrians of the bicycle's presence.

~~(g)~~ (g) No person shall operate upon a highway any two-wheeled bicycle equipped with handlebars so raised that the operator must elevate the hands above the level of the shoulders in order to grasp the normal steering grip area.

~~(h)~~ (h) No person shall operate upon a highway any bicycle which is of such a size as to prevent the operator from stopping the bicycle, supporting it with at least one foot on the highway surface and restarting in a safe manner.

Sec. 34. Minnesota Statutes 2012, section 169.222, subdivision 7, is amended to read:

Subd. 7. **Sale with reflectors and other equipment.** (a) No person shall sell or offer for sale any new bicycle unless it is equipped with reflectors and other equipment as required by subdivision 6, paragraphs (b) and (e) and by applicable regulations for new bicycles prescribed by the United States Consumer Product Safety Commission.

(b) Notwithstanding paragraph (a), a new bicycle may be sold or offered for sale without pedals if the bicycle otherwise meets the requirements of paragraph (a).

Sec. 35. Minnesota Statutes 2012, section 169.34, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions.** (a) No person shall stop, stand, or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic-control device, in any of the following places:

- (1) on a sidewalk;
  - (2) in front of a public or private driveway;
  - (3) within an intersection;
  - (4) within ten feet of a fire hydrant;
  - (5) on a crosswalk;
  - (6) within 20 feet of a crosswalk at an intersection;
  - (7) within 30 feet upon the approach to any flashing beacon, stop sign, or traffic-control signal located at the side of a roadway;
  - (8) between a safety zone and the adjacent curb or within 30 feet of points on the curb immediately opposite the ends of a safety zone, unless a different length is indicated by signs or markings;
  - (9) within 50 feet of the nearest rail of a railroad crossing;
  - (10) within 20 feet of the driveway entrance to any fire station and on the side of a street opposite the entrance to any fire station within 75 feet of said entrance when properly signposted;
  - (11) alongside or opposite any street excavation or obstruction when such stopping, standing, or parking would obstruct traffic;
  - (12) on the roadway side of any vehicle stopped or parked at the edge or curb of a street;
  - (13) upon any bridge or other elevated structure upon a highway or within a highway tunnel, except as otherwise provided by ordinance;
  - (14) within a bicycle lane, except when posted signs permit parking; or
  - ~~(14)~~ (15) at any place where official signs prohibit stopping.
- (b) No person shall move a vehicle not owned by such person into any prohibited area or away from a curb such distance as is unlawful.
- (c) No person shall, for camping purposes, leave or park a travel trailer on or within the limits of any highway or on any highway right-of-way, except where signs are erected designating the place as a campsite.
- (d) No person shall stop or park a vehicle on a street or highway when directed or ordered to proceed by any peace officer invested by law with authority to direct, control, or regulate traffic.

Sec. 36. Minnesota Statutes 2012, section 169.346, is amended by adding a subdivision to read:

**Subd. 1a. Disability parking when designated spaces occupied or unavailable.** In the event the designated disability parking spaces are either occupied or unavailable, a vehicle bearing a valid disability parking certificate issued under section 169.345 or license plates for physically disabled persons under section 168.021 may park at an angle and occupy two standard parking spaces.

Sec. 37. Minnesota Statutes 2012, section 169.346, subdivision 2, is amended to read:

Subd. 2. **Disability parking space signs.** (a) Parking spaces reserved for physically disabled persons must be designated and identified by the posting of signs incorporating the international symbol of access in white on blue and indicating that violators are subject to a fine of up to \$200. These parking spaces are reserved for disabled persons with motor vehicles displaying the required certificate, plates, permit valid for 30 days, or insignia.

(b) For purposes of this subdivision, a parking space that is clearly identified as reserved for physically disabled persons by a permanently posted sign that does not meet all design standards, is considered designated and reserved for physically disabled persons. A sign posted for the purpose of this section must be visible from inside a motor vehicle parked in the space, be kept clear of snow or other obstructions which block its visibility, and be nonmovable ~~or only movable by authorized persons.~~

Sec. 38. Minnesota Statutes 2012, section 169.443, subdivision 9, is amended to read:

Subd. 9. **Personal cellular phone call prohibition.** (a) As used in this subdivision, "school bus" has the meaning given in section 169.011, subdivision 71. In addition, the term includes type III vehicles as defined in section 169.011, subdivision 71, when driven by employees or agents of school districts.

(b) A school bus driver may not operate a school bus while communicating over, or otherwise operating, a cellular phone for personal reasons, whether handheld or hands free, when the vehicle is in motion or a part of traffic.

Sec. 39. Minnesota Statutes 2012, section 169.447, subdivision 2, is amended to read:

Subd. 2. **Driver seat belt.** School buses and Head Start buses must be equipped with driver seat belts and seat belt assemblies of the type described in section 169.685, subdivision 3. ~~School bus drivers and Head Start bus drivers must use these seat belts.~~ A properly adjusted and fastened seat belt, including both the shoulder and lap belt when the vehicle is so equipped, shall be worn by the driver.

Sec. 40. Minnesota Statutes 2012, section 169.454, subdivision 12, is amended to read:

Subd. 12. **Option.** ~~Passenger cars and station wagons~~ Type III vehicles may carry fire extinguisher, first aid kit, and warning triangles in the trunk or trunk area of the vehicle, if a label in the driver and front passenger area clearly indicates the location of these items.

Sec. 41. Minnesota Statutes 2012, section 169.68, is amended to read:

#### **169.68 HORN, SIREN.**

(a) Every motor vehicle when operated upon a highway must be equipped with a horn in good working order and capable of emitting sound audible under normal conditions from a distance of not less than 200 feet. However, the horn or other warning device must not emit an unreasonably loud or harsh sound or a whistle. The driver of a motor vehicle shall, when reasonably necessary to insure safe operation, give audible warning with the horn, but shall not otherwise use the horn when upon a highway.

(b) A vehicle must not be equipped with, and a person shall not use upon a vehicle, any siren, whistle, or bell, except as otherwise permitted in this section.

(c) It is permissible, but not required, for any commercial vehicle to be equipped with a theft alarm signal device, so arranged that it cannot be used by the driver as an ordinary warning signal.

(d) All authorized emergency vehicles must be equipped with a siren capable of emitting sound audible under normal conditions from a distance of not less than 500 feet and of a type conforming to the federal certification standards for sirens, as determined by the General Services Administration. However, the siren must not be used except when the vehicle is operated in response to an emergency call or in the immediate pursuit of an actual or suspected violator of the law, in which latter events the driver of the vehicle shall sound the siren when necessary to warn pedestrians and other drivers of the vehicle's approach.

(e) It is permissible, but not required, for a bicycle to be equipped with a horn or bell designed to alert motor vehicles, other bicycles, and pedestrians of the bicycle's presence.

Sec. 42. Minnesota Statutes 2012, section 169.824, subdivision 2, is amended to read:

Subd. 2. **Gross vehicle weight of all axles; credit for idle reduction technology.** (a) The gross vehicle weight of all axles of a vehicle or combination of vehicles must not exceed:

(1) 80,000 pounds for any vehicle or combination of vehicles on all streets and highways, unless posted at a lower axle weight under section 169.87, subdivision 1; and

(2) 88,000 pounds for any vehicle or combination of vehicles with six or more axles while exclusively engaged in hauling livestock on all state trunk highways other than interstate highways, if the vehicle has a permit under section 169.86, subdivision 5, paragraph (j).

(b) Notwithstanding the maximum weight provisions of this section, and in order to promote the reduction of fuel use and emissions, the maximum gross vehicle weight limits and the axle weight limits for any motor vehicle subject to sections 169.80 to 169.88 and equipped with idle reduction technology or emissions-reduction technology must be increased by the amount of weight necessary to compensate for the weight of the idle reduction technology or emissions-reduction technology, not to exceed ~~400~~ 550 pounds. At the request of an authorized representative of the Department of Transportation or the Department of Public Safety, the vehicle operator shall provide proof that the vehicle is equipped with this technology through documentation or demonstration.

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

Sec. 43. Minnesota Statutes 2012, section 171.01, subdivision 49b, is amended to read:

Subd. 49b. **Valid medical examiner's certificate.** (a) "Valid medical examiner's certificate" means a record, on a form prescribed by the department:

(1) of a medical examiner's examination of a person who holds or is applying for a class A, class B, or class C commercial driver's license;

(2) upon which the medical examiner attests that the applicant or license holder is physically qualified to drive a commercial motor vehicle; and

(3) that is not expired.

(b) A valid medical examiner's certificate must be issued by a medical examiner who is certified by the Federal Motor Carrier Administration and listed on the National Registry of Certified Medical Examiners.

**EFFECTIVE DATE.** The section is effective May 1, 2014.

Sec. 44. **[171.017] BACKGROUND INVESTIGATIONS; DEPARTMENT EMPLOYEES.**

**Subdivision 1. Background checks authorized.** The commissioner shall investigate the criminal history background of any current or prospective employees of the department being considered for any position with the department that has or will have:

(1) the ability to create or modify records of applicants for enhanced drivers' licenses under section 171.01, subdivision 31a, or enhanced identification cards under section 171.01, subdivision 31b;

(2) the ability to issue enhanced drivers' licenses under section 171.01, subdivision 31a, or enhanced identification cards under section 171.01, subdivision 31b; or

(3) the ability to administer knowledge or skills tests under section 171.13 to an applicant for a commercial driver's license.

**Subd. 2. Procedure.** (a) The commissioner must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals specified in subdivision 1. A request under this section must be accompanied by an executed criminal history consent form, including fingerprints, signed by the current or prospective employee being investigated.

(b) After receiving a request under paragraph (a), the superintendent of the Bureau of Criminal Apprehension shall perform the background check required under subdivision 1. The superintendent shall retrieve criminal history data as defined in section 13.87, conduct a search of the national criminal records repository, and provide wants and warrant information from federal and state repositories. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall return the results of the background checks to the commissioner to determine whether:

(1) the employee or applicant for employment specified in subdivision 1, clause (1) or (2), has committed a disqualifying crime under Code of Federal Regulations, title 49, section 1572.103; or

(2) the employee or applicant for employment specified in subdivision 1, clause (3), has a conviction of the type specified by Code of Federal Regulations, title 49, section 384.228(j).

(c) The superintendent shall recover the cost to the bureau of a background check through a fee charged to the commissioner.

**Subd. 3. Notification by other criminal justice agencies.** Criminal justice agencies, as defined by section 13.02, subdivision 3a, shall provide the commissioner with information they possess and that the commissioner requires for the purposes of determining the employment suitability of current or prospective employees subject to this section.

**Subd. 4. Annual background checks in certain instances.** Consistent with Code of Federal Regulations, title 49, section 384.228, the commissioner shall request and the superintendent shall conduct annual background checks for the department employees specified in subdivision 1, clause (3). Annual background checks under this subdivision shall be performed in a manner consistent with subdivisions 2 and 3.

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

Sec. 45. Minnesota Statutes 2012, section 171.07, subdivision 3a, is amended to read:

**Subd. 3a. Identification cards for seniors.** A Minnesota identification card issued to an applicant 65 years of age or over shall be of a distinguishing color and plainly marked "senior." The fee for the card issued to an applicant 65 years of age or over shall be one-half the required fee for a class D driver's license rounded down to the

nearest quarter dollar. A Minnesota identification card or a Minnesota driver's license issued to a person 65 years of age or over shall be valid identification for the purpose of qualifying for reduced rates, free licenses or services provided by any board, commission, agency or institution that is wholly or partially funded by state appropriations. This subdivision does not apply to an enhanced identification card issued to an applicant age 65 or older.

Sec. 46. Minnesota Statutes 2012, section 171.07, subdivision 4, is amended to read:

Subd. 4. **Expiration.** (a) Except as otherwise provided in this subdivision, the expiration date of Minnesota identification cards of applicants under the age of 65 shall be the birthday of the applicant in the fourth year following the date of issuance of the card.

(b) A Minnesota identification cards card issued to applicants an applicant age 65 or over older shall be valid for the lifetime of the applicant, except that for the purposes of this paragraph, "Minnesota identification card" does not include an enhanced identification card issued to an applicant age 65 or older.

(c) The expiration date for an Under-21 identification card is the cardholder's 21st birthday. The commissioner shall issue an identification card to a holder of an Under-21 identification card who applies for the card, pays the required fee, and presents proof of identity and age, unless the commissioner determines that the applicant is not qualified for the identification card.

Sec. 47. Minnesota Statutes 2012, section 174.02, is amended by adding a subdivision to read:

Subd. 2a. **Transportation ombudsperson.** (a) The commissioner shall appoint a person to the position of transportation ombudsperson. The transportation ombudsperson reports directly to the commissioner. The ombudsperson must be selected without regard to political affiliation and must be qualified to perform the duties specified in this subdivision.

(b) Powers and duties of the transportation ombudsperson include, but are not limited to:

(1) providing a neutral, independent resource for dispute and issue resolution between the department and the general public where another mechanism or forum is not available;

(2) gathering information about decisions, acts, and other matters of the department;

(3) providing information to the general public;

(4) facilitating discussions or arranging mediation when appropriate; and

(5) maintaining and monitoring performance measures for the ombudsperson program.

(c) The transportation ombudsperson may not hold another formal position within the department. The transportation ombudsperson may not impose a complaint fee.

Sec. 48. Minnesota Statutes 2012, section 174.03, subdivision 1d, is amended to read:

Subd. 1d. **Freight rail economic development study.** (a) The commissioner of transportation, in cooperation with the commissioner of the Department of Employment and Economic Development, shall conduct a freight rail economic development study. The study will assess the economic impact of freight railroads in the state and identify opportunities to expand business development and enhance economic competitiveness through improved utilization of freight rail options. Findings from the study shall be incorporated as an amendment to the statewide freight and passenger rail plan.

(b) The commissioner of transportation shall provide an interim progress report on the study by January 15, 2013, and a final report on ~~September 1~~ November 15, 2013, to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and over employment and economic development. The reports shall include any recommended legislative initiatives.

(c) The commissioner of transportation may expend up to \$216,000 in fiscal year 2013 under section 222.50, subdivision 7, to pay the costs of this study and report.

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

Sec. 49. Minnesota Statutes 2012, section 174.24, subdivision 5a, is amended to read:

Subd. 5a. **Method of payment, ~~nonoperating~~ assistance.** Payments for planning and engineering design, eligible capital assistance, operating assistance, and other eligible assistance for public transit services furthering the purposes of section 174.21, ~~excluding operating assistance~~, shall be made in an appropriate manner as determined by the commissioner, except that payments for operating assistance shall be made quarterly. The first quarterly payment for operating assistance shall be made no later than the last business day of the first month of the contract.

Sec. 50. **[174.45] PUBLIC-PRIVATE PARTNERSHIPS; JOINT PROGRAM OFFICE.**

The commissioner may establish a joint program office to oversee and coordinate activities to develop, evaluate, and implement public-private partnerships involving public infrastructure investments. At the request of the commissioner of transportation, the commissioner of Minnesota Management and Budget, the commissioner of employment and economic development, the executive director of the Public Facilities Authority, and other state agencies shall cooperate with and provide assistance to the commissioner of transportation for activities related to public-private partnerships involving public infrastructure investments.

Sec. 51. Minnesota Statutes 2012, section 174.632, is amended to read:

**174.632 PASSENGER RAIL; COMMISSIONER'S DUTIES.**

Subdivision 1. **Definition.** "Passenger rail" means intercity rail passenger transportation as defined in United States Code, title 49, section 24102 (4).

Subd. 2. **Responsibilities.** (a) The planning, design, development, construction, operation, and maintenance of passenger rail track, facilities, and services are governmental functions, serve a public purpose, and are a matter of public necessity.

(b) The commissioner is responsible for all aspects of planning, designing, developing, constructing, equipping, operating, and maintaining passenger rail, including system planning, alternatives analysis, environmental studies, preliminary engineering, final design, construction, negotiating with railroads, and developing financial and operating plans.

(c) The commissioner may enter into a memorandum of understanding or agreement with a public or private entity, including Amtrak, a regional railroad authority, a joint powers board, and a railroad, to carry out these activities.

Sec. 52. Minnesota Statutes 2012, section 174.636, is amended to read:

**174.636 PASSENGER RAIL; EXERCISE OF POWER.**

Subdivision 1. **Powers.** (a) The commissioner has all powers necessary to carry out the duties specified in section 174.632. In the exercise of those powers, the commissioner may:

(1) acquire by purchase, gift, or by eminent domain proceedings as provided by law, all land and property necessary to preserve future passenger rail corridors or to construct, maintain, and improve passenger rail corridors;

(2) let all necessary contracts as provided by law; and

(3) make agreements with and cooperate with any ~~governmental authority~~ public or private entity, including Amtrak, to carry out statutory duties related to passenger rail.

**Subd. 2. Consultation.** ~~(b)~~ The commissioner shall consult with metropolitan planning organizations and regional rail authorities in areas where passenger rail corridors are under consideration to ensure that passenger rail services are integrated with existing rail and transit services and other transportation facilities to provide as nearly as possible connected, efficient, and integrated services.

**Subd. 3. Authority to contract; liability.** (a) The commissioner, or a public entity contracting with the commissioner, may contract with a railroad as defined in Code of Federal Regulations, title 49, section 200.3(i), for the joint or shared use of the railroad's right-of-way or the construction, operation, or maintenance of rail track, facilities, or services for passenger rail purposes. Notwithstanding section 3.732, subdivision 1, clause (2), or 466.01, subdivision 6, sections 466.04 and 466.06 govern the liability of a Class I railroad and its employees arising from the joint or shared use of the railroad right-of-way or the provision of passenger rail construction, operation, or maintenance services pursuant to the contract. Notwithstanding any law to the contrary, a contract with a Class I railroad for any passenger rail service, or joint or shared use of the railroad's right-of-way, may also provide for the allocation of financial responsibility, indemnification, and the procurement of insurance for the parties for all types of claims or damages.

(b) State passenger rail operations or a contract entered into under this section shall be subject to the Federal Employers Liability Act, United States Code, title 45, section 51 et seq.; federal railroad safety laws under United States Code, title 49, section 20101 et seq.; the Railway Labor Act, United States Code, title 45, section 151 et seq.; and the Railroad Retirement Act, United States Code, title 45, section 231 et seq.

**Subd. 4. Public hearings.** The commissioner shall hold public hearings as required by federal requirements.

Sec. 53. Minnesota Statutes 2012, section 219.17, is amended to read:

#### **219.17 UNIFORM WARNING SIGNS.**

The commissioner by rule shall require that uniform warning signs be placed at grade crossings. There ~~must be at least three~~ are four distinct types of uniform warning signs: a ~~home crossing~~ crossbuck sign, for use in the immediate vicinity of the crossing; an ~~approach crossing~~ advance warning sign, to indicate the approach to a grade crossing; a yield sign with the word "yield" plainly appearing on it; and, when deemed necessary and instead of a yield sign, a stop sign with the word "stop" plainly appearing on it, to indicate that persons on the highway approaching the crossing, whether in vehicles or otherwise, must come to a stop before proceeding over the grade crossing.

Sec. 54. Minnesota Statutes 2012, section 219.18, is amended to read:

#### **219.18 RAILROAD TO ERECT SIGN.**

At each grade crossing established after April 23, 1925 and where and when crossing signs existing as of April 24, 1925 are replaced, the railway company operating the railroad at that crossing shall erect and maintain one or more uniform ~~home crossing~~ crossbuck signs. The signs must be on each side of the railroad tracks and within ~~75~~ 50 feet from the nearest rail, or at a distance greater than 50 feet as determined by the commissioner.

Sec. 55. Minnesota Statutes 2012, section 219.20, is amended to read:

**219.20 STOP SIGN; YIELD SIGN.**

Subdivision 1. **When installation required; procedure.** At each grade crossing not equipped with flashing lights or flashing lights and gates where, because of the dangers attendant upon its use, the reasonable protection of life and property makes it necessary for persons approaching the crossing to stop or yield before crossing the railroad tracks, stop signs or yield signs must be installed. When the government entity responsible for a road that crosses a railroad track deems it necessary to install stop signs or yield signs at that crossing, it shall petition the commissioner to order the installation of the stop signs or yield signs. The commissioner shall respond to the petition by investigating the conditions at the crossing to determine whether stop signs or yield signs should be installed at the crossing. On determining, after an investigation following a petition from a governmental agency or subdivision or on the commissioner's own motion, that stop signs or yield signs should be installed at a crossing, the commissioner shall designate the crossing as a stop crossing or yield crossing and shall notify the railway company operating the railroad at the crossing of this designation. Within 30 days after notification, the railway company shall erect the uniform stop crossing signs or yield crossing signs in accordance with the commissioner's order.

Subd. 2. **Stopping distances.** When a stop sign or a yield sign has been erected at a railroad crossing, the driver of a vehicle approaching a railroad crossing shall stop or yield within 50 feet, but not less than ten feet, from the nearest track of the crossing and shall proceed only upon exercising due care.

Sec. 56. Minnesota Statutes 2012, section 221.0314, subdivision 2, is amended to read:

Subd. 2. **Qualification of driver.** Code of Federal Regulations, title 49, part 391 and appendixes D and E, are incorporated by reference except for sections 391.2; 391.11, paragraph (b)(1); 391.47; 391.49; 391.62; 391.64; 391.67; 391.68; and 391.69. In addition, cross-references to sections or paragraphs not incorporated in this subdivision are not incorporated by reference. For medical examinations conducted on and after May 21, 2014, the term "medical examiner" as used in this section and in the rules adopted under this section means an individual certified by the Federal Motor Carrier Safety Administration and listed on the National Registry of Certified Medical Examiners.

Sec. 57. Minnesota Statutes 2012, section 221.0314, subdivision 3a, is amended to read:

Subd. 3a. **Waiver for other medical condition.** (a) The commissioner may grant a waiver to a person who is not physically qualified to drive under Code of Federal Regulations, title 49, section 391.41, ~~paragraph (b)(3) to (b)(13)~~ paragraph (b)(3), (b)(10), or (b)(11). A waiver granted under this subdivision applies to intrastate transportation only.

(b) A person who wishes to obtain a waiver under this subdivision must give the commissioner the following information:

- (1) the applicant's name, address, and telephone number;
- (2) the name, address, and telephone number of an employer coapplicant, if any;
- (3) a description of the applicant's experience in driving the type of vehicle to be operated under the waiver;
- (4) a description of the type of driving to be done under the waiver;
- (5) a description of any modifications to the vehicle the applicant intends to drive under the waiver that are designed to accommodate the applicant's medical condition or disability;

(6) whether the applicant has been granted another waiver under this subdivision;

(7) a copy of the applicant's current driver's license;

(8) a copy of a medical examiner's report and medical examiner's certificate showing that the applicant is medically unqualified to drive unless a waiver is granted;

(9) a statement from the applicant's treating physician that includes:

(i) the extent to which the physician is familiar with the applicant's medical history;

(ii) a description of the applicant's medical condition for which a waiver is necessary;

(iii) assurance that the applicant has the ability and willingness to follow any course of treatment prescribed by the physician, including the ability to self-monitor or manage the medical condition; and

(iv) the physician's professional opinion that the applicant's condition will not adversely affect the applicant's ability to operate a commercial motor vehicle safely; and

(10) any other information considered necessary by the commissioner including requiring a physical examination or medical report from a physician who specializes in a particular field of medical practice.

(c) In granting a waiver under this subdivision, the commissioner may impose conditions the commissioner considers necessary to ensure that an applicant is able to operate a motor vehicle safely and that the safety of the general public is protected.

(d) A person who is granted a waiver under this subdivision must:

(1) at intervals specified in the waiver, give the commissioner periodic reports from the person's treating physician, or a medical specialist if the commissioner so requires in the waiver, that contain the information described in paragraph (b), clause (9), together with a description of any episode that involved the person's loss of consciousness or loss of ability to operate a motor vehicle safely; and

(2) immediately report the person's involvement in an accident for which a report is required under section 169.09, subdivision 7.

~~(e) The commissioner shall deny an application if, during the three years preceding the application:~~

~~(1) the applicant's driver's license has been suspended under section 171.18, paragraph (a), clauses (1) to (9), (11), and (12), canceled under section 171.14, or revoked under section 171.17, 171.172, or 171.174;~~

~~(2) the applicant has been convicted of a violation under section 171.24; or~~

~~(3) the applicant has been convicted of a disqualifying offense, as defined in Code of Federal Regulations, title 49, section 383.51, paragraph (b), which is incorporated by reference.~~

⊕ (e) The commissioner may deny an application or may immediately revoke a waiver granted under this subdivision. Notice of the commissioner's reasons for denying an application or for revoking a waiver must be in writing and must be mailed to the applicant's or waiver holder's last known address by certified mail, return receipt requested. A person whose application is denied or whose waiver is revoked is entitled to a hearing under chapter 14.

~~(g)~~ (f) A waiver granted under this subdivision expires on the date of expiration shown on the medical examiner's certificate described in paragraph (b), clause (8).

Sec. 58. Minnesota Statutes 2012, section 221.0314, subdivision 9a, is amended to read:

Subd. 9a. **Hours of service exemptions.** The federal regulations incorporated in subdivision 9 for maximum driving and on-duty time do not apply to drivers engaged in the interstate or intrastate transportation of:

(1) agricultural commodities or farm supplies for agricultural purposes in Minnesota during the planting and harvesting seasons from March 15 to December 15 of each year; or

(2) sugar beets during the harvesting season for sugar beets from September 1 to May 15 of each year;

if the transportation is limited to an area within a ~~100-air-mile~~ 150-air-mile radius from the source of the commodities or from the retail or wholesale distribution point for of the farm supplies.

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

Sec. 59. Minnesota Statutes 2012, section 398A.04, is amended by adding a subdivision to read:

Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise the powers conferred under this section to: plan, establish, acquire, develop, purchase, enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of construction and operation of a bus rapid transit system located within its county on transit ways included in and approved by the Metropolitan Council's 2030 Transportation Policy Plan. This subdivision applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 60. Laws 2009, chapter 59, article 3, section 4, subdivision 9, as amended by Laws 2010, chapter 197, section 1, and Laws 2011, chapter 87, section 1, subdivision 9, is amended to read:

Subd. 9. **Sunset.** A city or county participating in this pilot program may accept an individual for diversion into the pilot program until June 30, ~~2013~~ 2017. The third party administering the diversion program may collect and disburse fees collected pursuant to subdivision 6, paragraph (a), clause (2), through December 31, ~~2014~~ 2018, at which time the pilot program under this section expires.

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

Sec. 61. **CENTRAL CORRIDOR LIGHT RAIL TRANSIT; CENTRAL STATION ACCESSIBILITY.**

(a) For purposes of this section:

(1) "city" means the city of St. Paul;

(2) "council" has the meaning given in Minnesota Statutes, section 473.121, subdivision 3; and

(3) "pedestrian skyway system" has the meaning given in Minnesota Statutes, section 469.125, subdivision 4.

(b) Notwithstanding any law to the contrary, for the Central Station on the Central Corridor light rail transit line, the council and city shall include construction or establishment of access to a pedestrian skyway system as part of the initial transit line construction project. The council and city shall ensure that public access to the pedestrian skyway system is provided by an elevator located at the site of the station.

(c) The council and city shall meet the requirements under this section at the time of initial construction of the Central Corridor light rail transit line and the Central Station.

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

Sec. 62. **CONVEYANCE OF STATE LAND; KOOCHICHING COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, 92.45, 161.43, 161.44 and 222.63, or any other law to the contrary, the commissioner of transportation may convey and quitclaim to a private party all right, title, and interest of the state of Minnesota, in the land described in paragraph (d).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance may take place only upon conditions as determined by the commissioner of transportation.

(c) No direct access shall be permitted between marked Trunk Highway 71 and the lands to be conveyed.

(d) The land to be conveyed is located in Koochiching County and is described as follows:

That part of Tract A described below:

Tract A. All that portion of the Burlington Northern Railroad Company's (formerly Northern Pacific Railway Company) former 400.0 foot wide Station Ground Property at Grand Falls, Minnesota, lying within a distance of 300.0 feet northwesterly of said Railroad Company's former main track centerline upon, over, and across the Northwest Quarter of the Southwest Quarter, the Northwest Quarter of the Northeast Quarter of the Southwest Quarter, the Southeast Quarter of the Southwest Quarter of the Northwest Quarter, and the Southeast Quarter of the Northwest Quarter of Section 36, Township 155 North, Range 25 West, Koochiching County, Minnesota;

which lies southerly of Line 1 described below:

Line 1. Commencing at a point on the north line of the Northeast Quarter of said Section 36, distant 466.0 feet easterly of the northwest corner thereof; thence southwesterly at an angle of 56 degrees 41 minutes from said north line (measured from west to south) for 458.6 feet; thence deflect to the right on a 01 degree 00 minute curve, delta angle 13 degrees 08 minutes, for 1313.3 feet; thence on tangent to said curve for 1500.0 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for 200 feet to the point of beginning of Line 1 to be described; thence deflect to the left at an angle of 90 degrees 00 minutes for 1500.0 feet; thence deflect to the right at an angle of 90 degrees 00 minutes for 200 feet and there terminating;

containing 16.45 acres, more or less, of which 0.55 acres is contained within a public road (Koochiching County State-Aid Highway 31).

(e) The conveyance in this section is subject to the following restrictions:

(1) the right of way of the public road (Koochiching County State-Aid Highway 31 as now located and established) running along the east and west quarter line of said Section 36; and

(2) no access shall be permitted to marked Trunk Highway 71 or to remaining rail bank lands in said Section 36 from the lands conveyed in this section; except that access shall be permitted by way of said Koochiching County State-Aid Highway 31.

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

Sec. 63. **CONVEYANCE OF STATE LAND; LE SUEUR COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, 92.45, 161.43, and 161.44, or any other law to the contrary, the commissioner of transportation may convey and quitclaim to a private party all right, title, and interest of the state of Minnesota, in the land described in paragraph (e). The consideration for a conveyance shall be the cost of planning, designing, acquiring, constructing, and equipping a comparable rest area facility.

(b) Proceeds from the sale of real estate or buildings under this section shall be deposited in the safety rest area account established in Minnesota Statutes, section 160.2745.

(c) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance may take place only upon conditions determined by the commissioner of transportation.

(d) No direct access shall be permitted between marked Trunk Highway 169 and the land conveyed under this section.

(e) The land to be conveyed is located in Le Sueur County and is described as tracts A, B, and C:

Tract A consists of that part of the West Half of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southeasterly of the southeasterly right-of-way line of marked Trunk Highway 169 as the same was located prior to January 1, 1990, and northerly of the northerly right-of-way line of old marked Trunk Highway 169 (now known as County State-Aid Highway 28); excepting therefrom that part thereof lying southwesterly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the east quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds from said east section line (measured from south to west) for 3332.5 feet; thence deflect to the right on a 01 degree 00 minute 00 second curve (delta angle 40 degrees 11 minutes 00 seconds) having a length of 4018.3 feet for 133.6 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds to the tangent of said curve at said point for 1000 feet and there terminating.

Tract B consists of that part of the East Half of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southerly of the southeasterly right-of-way line of marked Trunk Highway 169 as located prior to January 1, 1990, northerly of the northerly right-of-way line of old marked Trunk Highway 169 (now known as County State-Aid Highway 28) and westerly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the East Quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds from said east section line (measured from south to west) for 2318 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds for 400 feet; thence deflect to the right at an angle of 43 degrees 00 minutes 00 seconds for 1100 feet and there terminating.

Tract C consists of that part of the Southwest Quarter of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southeasterly of marked Trunk Highway 169 as located prior to January 1, 1971, and northwesterly of old marked Trunk Highway 169 (now known as County State-Aid Highway 28) and southwesterly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the East Quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds with said east section line for 3332.5 feet; thence deflect to the right on a 01 degree 00 minute 00 second curve (delta angle 40 degrees 11 minutes 00 seconds) having a length of 4018.3 feet for 133.6 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds with the tangent of said curve at said point for 1000 feet and there terminating.

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

Sec. 64. **COMPLIANCE WITH FEDERAL TRANSPORTATION LAW.**

The commissioner of public safety shall make all reasonable efforts to refrain from enforcing state laws that are in conflict with provisions enacted in Public Law 112-141, Moving Ahead for Progress in the 21st Century Act (MAP-21).

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

Sec. 65. **MARKED U.S. HIGHWAY 53 RELOCATION PROJECT.**

Notwithstanding any law to the contrary, the commissioner of transportation, in selecting the preferred alternative for the project involving the relocation of marked U.S. Highway 53 between Eveleth and Virginia, shall:

(1) prioritize as a District 1 project, the acceleration of the scoping, relocation, design, and construction of this highway;

(2) consider the economic and social impacts on the cities of Virginia, Eveleth, Gilbert, and Mountain Iron, and not select an alternative that will impose undue negative impact on the economies of these cities; and

(3) refrain from closing the existing U.S. Highway 53 corridor until construction of the rerouted highway is complete and the highway is open to vehicle traffic.

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

Sec. 66. **LEGISLATIVE ROUTE NO. 235 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 166, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Otter Tail County to transfer jurisdiction of Legislative Route No. 235 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 67. **LEGISLATIVE ROUTE NO. 256 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 187, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Blue Earth County to transfer jurisdiction of Legislative Route No. 256 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 68. **SPECIFIC SERVICE SIGN.**

Notwithstanding any other law or administrative rule or order, the commissioner of transportation, after being assured of adequate funding from nonstate sources, shall erect a specific service sign on the east side of marked Trunk Highway 52, near its intersection with 37th Street NW in Olmsted County. The sign must display the name or business panel, or both, of a retail establishment on the east side of marked Trunk Highway 52 that began operation before construction of the noise wall on the east side of marked Trunk Highway 52, and the premises of which is blocked from view by the noise wall.

Sec. 69. **INTERSECTION SIGNAGE; MARKED TRUNK HIGHWAY 47.**

By August 1, 2013, the commissioner of transportation shall erect additional signage on marked Trunk Highway 47 at the intersection with McKinley Street in Anoka indicating the turning and through lane requirements for the intersection. The city of Anoka shall reimburse the commissioner for the signage.

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

Sec. 70. **ORIGINAL IGNITION INTERLOCK DEVICE PROGRAM; USE OF EMPLOYER-OWNED VEHICLES.**

A person participating in the ignition interlock device program under Minnesota Statutes 2009, section 171.305, may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner referenced in Minnesota Statutes, section 171.306, subdivision 4, paragraph (b), and with the employer's written consent.

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

Sec. 71. **REPEALER.**

(a) Minnesota Statutes 2012, sections 168.094; and 174.24, subdivision 5, are repealed.

(b) Minnesota Rules, parts 8820.3300, subpart 2; and 8835.0330, subpart 2, are repealed.

Sec. 72. **EFFECTIVE DATE.**

Except as provided otherwise, this act is effective August 1, 2013."

Delete the title and insert:

"A bill for an act relating to transportation; amending various provisions related to transportation and public safety policies, including highway signs, trunk highway routes, state-aid systems, motor vehicle registration and license plates, record retention, motor vehicle dealers, pupil transportation, bicycles, motor vehicle weight and equipment, disability parking, drivers' licenses and senior identification cards, federal law conformity, agency organization, commercial vehicle regulations, railroads, land conveyance, transit and transit planning, operations, and accessibility; amending Minnesota Statutes 2012, sections 160.21, subdivision 6; 160.80, subdivisions 1, 1a, 2; 161.04, subdivision 5; 161.115, subdivision 229, by adding a subdivision; 161.1231, subdivision 8; 161.44, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 162.13, subdivision 2; 168.017, subdivisions 2, 3; 168.053, subdivision 1; 168.123, subdivision 2; 168.183, subdivision 1; 168.187, subdivision 17; 168.27, subdivisions 10, 11, by adding a subdivision; 168A.153, subdivisions 1, 2, 3, by adding a subdivision; 168B.15; 169.011, subdivision 71; 169.18, subdivisions 4, 7; 169.19, subdivision 1; 169.222, subdivisions 2, 4, 6, 7; 169.34, subdivision 1; 169.346, subdivision 2, by adding a subdivision; 169.443, subdivision 9; 169.447, subdivision 2; 169.454, subdivision 12; 169.68; 169.824, subdivision 2; 171.01, subdivision 49b; 171.07, subdivisions 3a, 4; 174.02, by adding a subdivision; 174.03, subdivision 1d; 174.24, subdivision 5a; 174.632; 174.636; 219.17; 219.18; 219.20; 221.0314, subdivisions 2, 3a, 9a; 398A.04, by adding a subdivision; Laws 2009, chapter 59, article 3, section 4, subdivision 9, as amended; proposing coding for new law in Minnesota Statutes, chapters 171; 174; repealing Minnesota Statutes 2012, sections 168.094; 174.24, subdivision 5; Minnesota Rules, parts 8820.3300, subpart 2; 8835.0330, subpart 2."

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

Senate Conferees: D. SCOTT DIBBLE, SUSAN KENT, JIM CARLSON, VICKI JENSEN and JOHN C. PEDERSON.

House Conferees: RON ERHARDT, FRANK HORNSTEIN, SANDRA MASIN, MARY SAWATZKY and ROD HAMILTON.

The Speaker called Hortman to the Chair.

Pelowski was excused between the hours of 11:45 a.m. and 12:00 noon.

Erhardt moved that the report of the Conference Committee on S. F. No. 1270 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Erhardt motion and the roll was called. There were 77 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorholt	Hornstein	Loeffler	Nelson	Simon
Allen	Erhardt	Hortman	Mahoney	Newton	Simonson
Anzelc	Erickson, R.	Huntley	Mariani	Norton	Slocum
Atkins	Falk	Isaacson	Marquart	Paymar	Sundin
Benson, J.	Faust	Johnson, C.	Masin	Persell	Uglen
Bernardy	Fischer	Johnson, S.	McNamar	Poppe	Wagenius
Bly	Freiberg	Kahn	Melin	Radinovich	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Rosenthal	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Runbeck	Winkler
Clark	Hamilton	Lesch	Morgan	Savick	Woodard
Davnie	Hansen	Liebling	Mullery	Sawatzky	Yarusso
Dehn, R.	Hausman	Lien	Murphy, E.	Schoen	Spk. Thissen
Dill	Hilstrom	Lillie	Murphy, M.	Selcer	

Those who voted in the negative were:

Albright	Davids	Gunther	Kiel	Nornes	Swedzinski
Anderson, M.	Dean, M.	Hackbarth	Kresha	O'Driscoll	Theis
Anderson, P.	Dettmer	Hertaus	Leidiger	O'Neill	Torkelson
Anderson, S.	Drazkowski	Holberg	Loon	Petersburg	Urdahl
Barrett	Erickson, S.	Hoppe	Mack	Pugh	Wills
Beard	Fabian	Howe	McDonald	Quam	Zerwas
Benson, M.	FitzSimmons	Johnson, B.	McNamara	Sanders	
Cornish	Green	Kelly	Myhra	Schomacker	
Daudt	Gruenhagen	Kieffer	Newberger	Scott	

The motion prevailed.

S. F. No. 1270, A bill for an act relating to transportation; modifying provisions governing transportation and public safety policies, including highway signs, highway jurisdictions, accounts, state-aid definitions and variances, vehicle registration and license plates, record retention, conformance with federal law, motor vehicle dealers, type III vehicles, bicycle lanes, speed limit, disability parking, school bus safety, vehicle weights, background checks, senior identification cards, Department of Transportation offices and ombudsperson and surplus land, railroad crossing signs, bus rapid transit, transit planning, operations, and accessibility, and land conveyance; amending Minnesota Statutes 2012, sections 160.80, subdivisions 1, 1a, 2; 161.04, subdivision 5; 161.115, subdivision 229, by adding a

subdivision; 161.1231, subdivision 8; 161.44, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 162.13, subdivision 2; 168.017, subdivisions 2, 3; 168.053, subdivision 1; 168.123, subdivision 2; 168.183, subdivision 1; 168.187, subdivision 17; 168.27, subdivisions 10, 11, by adding a subdivision; 168A.153, subdivisions 1, 2, 3, by adding a subdivision; 168B.15; 169.011, subdivision 71; 169.14, subdivision 2; 169.18, subdivisions 4, 7; 169.19, subdivision 1; 169.34, subdivision 1; 169.346, subdivision 2, by adding a subdivision; 169.443, subdivision 9; 169.447, subdivision 2; 169.454, subdivision 12; 169.824, subdivision 2; 171.01, subdivision 49b; 171.07, subdivisions 3a, 4; 171.12, subdivision 6; 174.02, by adding a subdivision; 174.24, subdivision 5a; 219.17; 219.18; 219.20; 221.0314, subdivisions 2, 3a, 9a; 398A.04, by adding a subdivision; Laws 2002, chapter 393, section 85; Laws 2009, chapter 59, article 3, section 4, subdivision 9, as amended; proposing coding for new law in Minnesota Statutes, chapters 171; 174; repealing Minnesota Statutes 2012, sections 168.094; 174.24, subdivision 5; Minnesota Rules, parts 8820.3300, subpart 2; 8835.0330, subpart 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 80 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorholt	Hortman	Mahoney	Norton	Slocum
Allen	Erhardt	Huntley	Mariani	Paymar	Sundin
Anderson, S.	Erickson, R.	Isaacson	Marquart	Persell	Uglen
Anzelc	Falk	Johnson, C.	Masin	Petersburg	Wagenius
Atkins	Faust	Johnson, S.	McNamar	Poppe	Ward, J.A.
Benson, J.	Fischer	Kahn	Melin	Radinovich	Ward, J.E.
Bernardy	Freiberg	Kresha	Metsa	Rosenthal	Winkler
Bly	Fritz	Laine	Moran	Runbeck	Woodard
Brynaert	Halverson	Lenczewski	Morgan	Savick	Yarusso
Carlson	Hamilton	Lesch	Mullery	Sawatzky	Spk. Thissen
Clark	Hansen	Liebling	Murphy, E.	Schoen	
Davnie	Hausman	Lien	Murphy, M.	Selcer	
Dehn, R.	Hilstrom	Lillie	Nelson	Simon	
Dill	Hornstein	Loeffler	Newton	Simonson	

Those who voted in the negative were:

Albright	Dettmer	Hertaus	Loon	Peppin	Urdahl
Anderson, M.	Drazkowski	Holberg	Mack	Pugh	Wills
Anderson, P.	Erickson, S.	Hoppe	McDonald	Quam	Zellers
Barrett	Fabian	Howe	McNamara	Sanders	Zerwas
Beard	FitzSimmons	Johnson, B.	Myhra	Schomacker	
Benson, M.	Green	Kelly	Newberger	Scott	
Daudt	Gruenhagen	Kieffer	Nornes	Swedzinski	
Davids	Gunther	Kiel	O'Driscoll	Theis	
Dean, M.	Hackbarth	Leidiger	O'Neill	Torkelson	

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

The Speaker resumed the Chair.

**CALENDAR FOR THE DAY**

## TAKE FROM THE TABLE

Murphy, E., moved that S. F. No. 778 be taken from the table.

A roll call was requested and properly seconded.

The question was taken on the Murphy, E., motion and the roll was called. There were 71 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Allen	Dorholt	Hornstein	Loeffler	Murphy, M.	Selcer
Anzelc	Erhardt	Hortman	Mahoney	Nelson	Simon
Atkins	Erickson, R.	Huntley	Mariani	Newton	Simonson
Benson, J.	Falk	Isaacson	Marquart	Paymar	Slocum
Bernardy	Faust	Johnson, C.	Masin	Pelowski	Sundin
Bly	Fischer	Johnson, S.	McNamar	Persell	Wagenius
Brynaert	Freiberg	Kahn	Melin	Poppe	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Radinovich	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Rosenthal	Winkler
Davnie	Hansen	Lesch	Morgan	Savick	Yarusso
Dehn, R.	Hausman	Lien	Mullery	Sawatzky	Spk. Thissen
Dill	Hilstrom	Lillie	Murphy, E.	Schoen	

Those who voted in the negative were:

Abeler	Davids	Hackbarth	Kresha	O'Driscoll	Swedzinski
Albright	Dean, M.	Hamilton	Leidiger	O'Neill	Theis
Anderson, M.	Dettmer	Hertaus	Liebling	Peppin	Torkelson
Anderson, P.	Drazkowski	Holberg	Loon	Petersburg	Uglem
Anderson, S.	Erickson, S.	Hoppe	Mack	Pugh	Urdahl
Barrett	Fabian	Howe	McDonald	Quam	Wills
Beard	FitzSimmons	Johnson, B.	McNamara	Runbeck	Woodard
Benson, M.	Green	Kelly	Myhra	Sanders	Zellers
Cornish	Gruenhagen	Kieffer	Newberger	Schomacker	Zerwas
Daudt	Gunther	Kiel	Nornes	Scott	

The motion prevailed.

S. F. No. 778 was reported to the House.

Woodard moved to amend S. F. No. 778, the fifth engrossment, as follows:

Page 3, line 8, after the period, insert:

"A person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of family child care providers only if the person has been subject to a background check and meets the same background eligibility criteria required of a person in regular contact with children as an employee of a family day care provider."

Page 6, line 28, after the period, insert:

"A person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of individual providers only if the person has been subject to a background check and meets the same background eligibility criteria required of a person employed in a position involving regular contact with vulnerable adults."

A roll call was requested and properly seconded.

Zellers moved to amend the Woodard amendment to S. F. No. 778, the fifth engrossment, as follows:

Page 1, after line 1, insert:

"Page 3, line 3, before "After" insert "(a)"

Page 1, after line 6, insert:

"Page 3, after line 12, insert:

"(b) No person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of family child care providers under paragraph (a) if the person has been convicted of a violation listed in section 243.166, subdivision 1b. A violation of this paragraph is a gross misdemeanor."

Page 1, before line 7, insert:

"Page 6, line 21, before "Beginning" insert "(a)"

Page 1, after line 11, insert:

"Page 6, after line 32, insert:

"(b) No person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of individual providers under paragraph (a) if the person has been convicted of a violation listed in section 243.166, subdivision 1b. A violation of this paragraph is a gross misdemeanor."

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 60 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Dettmer	Green	Holberg	Kiel
Albright	Benson, M.	Drazkowski	Gruenhagen	Hoppe	Kresha
Anderson, M.	Cornish	Erickson, S.	Gunther	Howe	Leidiger
Anderson, P.	Daudt	Fabian	Hackbarth	Johnson, B.	Liebling
Anderson, S.	Davids	FitzSimmons	Hamilton	Kelly	Loon
Barrett	Dean, M.	Franson	Hertaus	Kieffer	Mack

McDonald	Nornes	Petersburg	Sanders	Theis	Wills
McNamara	O'Driscoll	Pugh	Schomacker	Torkelson	Woodard
Myhra	O'Neill	Quam	Scott	Uglem	Zellers
Newberger	Peppin	Runbeck	Swedzinski	Urdahl	Zerwas

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Loeffler	Murphy, M.	Simon
Anzelc	Erhardt	Hortman	Mahoney	Nelson	Simonson
Atkins	Erickson, R.	Huntley	Mariani	Newton	Slocum
Benson, J.	Falk	Isaacson	Marquart	Pelowski	Sundin
Bernardy	Faust	Johnson, C.	Masin	Persell	Wagenius
Bly	Fischer	Johnson, S.	McNamar	Poppe	Ward, J.A.
Brynaert	Freiberg	Kahn	Melin	Radinovich	Ward, J.E.
Carlson	Fritz	Laine	Metsa	Rosenthal	Winkler
Clark	Halverson	Lenczewski	Moran	Savick	Yarusso
Davnie	Hansen	Lesch	Morgan	Sawatzky	Spk. Thissen
Dehn, R.	Hausman	Lien	Mullery	Schoen	
Dill	Hilstrom	Lillie	Murphy, E.	Selcer	

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

Zellers moved to amend the Woodard amendment to S. F. No. 778, the fifth engrossment, as follows:

Page 1, after line 1, insert:

"Page 3, line 3, before "After" insert "(a)""

Page 1, after line 6, insert:

"Page 3, after line 12, insert:

"(b) No person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of family child care providers under paragraph (a) if the person has been convicted of a violation listed in section 245C.15, subdivision 1. A violation of this paragraph is a gross misdemeanor."

Page 1, before line 7, insert:

"Page 6, line 21, before "Beginning" insert "(a)""

Page 1, after line 11, insert:

"Page 6, after line 32, insert:

"(b) No person may solicit authorization signatures on behalf of an employee organization wishing to represent the appropriate unit of individual providers under paragraph (a) if the person has been convicted of a violation listed in section 245C.15, subdivision 1. A violation of this paragraph is a gross misdemeanor."

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 63 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Hackbarth	Kresha	O'Neill	Theis
Albright	Dettmer	Hamilton	Leidiger	Peppin	Torkelson
Anderson, M.	Drazkowski	Hertaus	Liebling	Petersburg	Uglen
Anderson, P.	Erickson, S.	Holberg	Loon	Pugh	Urdahl
Anderson, S.	Fabian	Hoppe	Mack	Quam	Wills
Barrett	FitzSimmons	Howe	McDonald	Runbeck	Woodard
Beard	Franson	Huntley	McNamara	Sanders	Zellers
Benson, M.	Garofalo	Johnson, B.	Myhra	Schomacker	Zerwas
Cornish	Green	Kelly	Newberger	Scott	
Daudt	Gruenhagen	Kieffer	Nornes	Simon	
Davids	Gunther	Kiel	O'Driscoll	Swedzinski	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Mahoney	Nelson	Slocum
Anzelc	Erhardt	Hortman	Mariani	Newton	Sundin
Atkins	Erickson, R.	Isaacson	Marquart	Pelowski	Wagenius
Benson, J.	Falk	Johnson, C.	Masin	Persell	Ward, J.A.
Bernardy	Faust	Johnson, S.	McNamar	Poppe	Winkler
Bly	Fischer	Kahn	Melin	Radinovich	Yarusso
Brynaert	Freiberg	Laine	Metsa	Rosenthal	Spk. Thissen
Carlson	Fritz	Lenczewski	Moran	Savick	
Clark	Halverson	Lesch	Morgan	Sawatzky	
Davnie	Hansen	Lien	Mullery	Schoen	
Dehn, R.	Hausman	Lillie	Murphy, E.	Selcer	
Dill	Hilstrom	Loeffler	Murphy, M.	Simonson	

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

The question recurred on the Woodard amendment and the roll was called. There were 62 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Hackbarth	Leidiger	O'Neill	Torkelson
Albright	Dettmer	Hamilton	Liebling	Peppin	Uglen
Anderson, M.	Drazkowski	Hertaus	Lohmer	Petersburg	Urdahl
Anderson, P.	Erickson, S.	Holberg	Loon	Pugh	Wills
Anderson, S.	Fabian	Hoppe	Mack	Quam	Woodard
Barrett	FitzSimmons	Howe	McDonald	Runbeck	Zellers
Beard	Franson	Johnson, B.	McNamara	Sanders	Zerwas
Benson, M.	Garofalo	Kelly	Myhra	Schomacker	
Cornish	Green	Kieffer	Newberger	Scott	
Daudt	Gruenhagen	Kiel	Nornes	Swedzinski	
Davids	Gunther	Kresha	O'Driscoll	Theis	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Mahoney	Nelson	Simonson
Anzelc	Erhardt	Huntley	Mariani	Newton	Slocum
Atkins	Erickson, R.	Isaacson	Marquart	Pelowski	Sundin
Benson, J.	Falk	Johnson, C.	Masin	Persell	Wagenius
Bernardy	Fischer	Johnson, S.	McNamar	Poppe	Ward, J.A.
Bly	Freiberg	Kahn	Melin	Radinovich	Winkler
Brynaert	Fritz	Laine	Metsa	Rosenthal	Yarusso
Carlson	Halverson	Lenczewski	Moran	Savick	Spk. Thissen
Clark	Hansen	Lesch	Morgan	Sawatzky	
Davnie	Hausman	Lien	Mullery	Schoen	
Dehn, R.	Hilstrom	Lillie	Murphy, E.	Selcer	
Dill	Hornstein	Loeffler	Murphy, M.	Simon	

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

Kieffer moved to amend S. F. No. 778, the fifth engrossment, as follows:

Page 6, line 7, after the period, insert "A person who has not attained the age of 18 is excluded from the appropriate unit."

A roll call was requested and properly seconded.

The question was taken on the Kieffer amendment and the roll was called. There were 62 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Hackbarth	Leidiger	Pelowski	Torkelson
Albright	Dettmer	Hamilton	Lohmer	Peppin	Uglen
Anderson, M.	Drazkowski	Hertaus	Loon	Petersburg	Urdahl
Anderson, P.	Erickson, S.	Holberg	Mack	Pugh	Wills
Anderson, S.	Fabian	Hoppe	McDonald	Quam	Woodard
Barrett	FitzSimmons	Howe	McNamara	Runbeck	Zellers
Beard	Franson	Johnson, B.	Myhra	Sanders	Zerwas
Benson, M.	Garofalo	Kelly	Newberger	Schomacker	
Cornish	Green	Kieffer	Nornes	Scott	
Daudt	Gruenhagen	Kiel	O'Driscoll	Swedzinski	
Davids	Gunther	Kresha	O'Neill	Theis	

Those who voted in the negative were:

Allen	Davnie	Freiberg	Isaacson	Lillie	Moran
Anzelc	Dehn, R.	Fritz	Johnson, C.	Loeffler	Morgan
Atkins	Dill	Halverson	Johnson, S.	Mahoney	Mullery
Benson, J.	Dorholt	Hansen	Kahn	Mariani	Murphy, E.
Bernardy	Erhardt	Hausman	Laine	Marquart	Murphy, M.
Bly	Erickson, R.	Hilstrom	Lenczewski	Masin	Nelson
Brynaert	Falk	Hornstein	Lesch	McNamar	Newton
Carlson	Faust	Hortman	Liebling	Melin	Paymar
Clark	Fischer	Huntley	Lien	Metsa	Persell

Poppe	Savick	Selcer	Slocum	Ward, J.A.	Yarusso
Radinovich	Sawatzky	Simon	Sundin	Ward, J.E.	Spk. Thissen
Rosenthal	Schoen	Simonson	Wagenius	Winkler	

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

Dean, M., moved to amend S. F. No. 778, the fifth engrossment, as follows:

Page 3, delete subdivision 9 and insert:

"Subd. 9. **Parental and citizen rights.** Nothing in this section shall be construed to interfere with or deny:

(1) parental rights to select and deselect a family child care provider of the parent's choice;

(2) parental rights to negotiate rates, costs, accommodations, and hours of service directly with the family child care provider of the parent's choice; and

(3) the right or obligation of any state agency to communicate or meet with any citizen or organization concerning family child care legislation, regulation, or policy.

Subd. 10. **Provider rights.** Nothing in this section shall be construed to interfere with or deny:

(1) the ability of family child care providers to establish the rates providers charge parents;

(2) the ability of family child care providers to set the providers' own terms of employment and hours of operation; and

(3) the rights and responsibilities of family child care providers under federal law."

Page 3, line 34, delete "10" and insert "11"

A roll call was requested and properly seconded.

Dean, M., moved to amend his amendment to S. F. No. 778, the fifth engrossment, as follows:

Page 1, line 3, before "Nothing" insert "(a)"

Page 1, after line 10, insert:

"(b) Dues, fair share fees, or any other mandatory or voluntary fees or payments must not be deducted from child care assistance payments under chapter 119B made to a family day care provider without the written consent of the parents on whose behalf the payments are made."

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 72 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Hackbarth	Leidiger	Peppin	Uglem
Albright	Dettmer	Hamilton	Lohmer	Petersburg	Urdahl
Anderson, M.	Drazkowski	Hertaus	Loon	Pugh	Wills
Anderson, P.	Erickson, S.	Holberg	Mack	Quam	Woodard
Anderson, S.	Fabian	Hoppe	McDonald	Runbeck	Zellers
Barrett	FitzSimmons	Howe	McNamara	Sanders	Zerwas
Beard	Franson	Johnson, B.	Myhra	Schomacker	
Benson, M.	Garofalo	Kelly	Newberger	Scott	
Cornish	Green	Kieffer	Nornes	Swedzinski	
Daudt	Gruenhagen	Kiel	O'Driscoll	Theis	
Davids	Gunther	Kresha	O'Neill	Torkelson	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, E.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Murphy, M.	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Nelson	Simon
Benson, J.	Falk	Isaacson	Mariani	Newton	Simonson
Bernardy	Faust	Johnson, C.	Marquart	Paymar	Slocum
Bly	Fischer	Johnson, S.	Masin	Pelowski	Sundin
Brynaert	Freiberg	Kahn	McNamar	Persell	Wagenius
Carlson	Fritz	Laine	Melin	Poppe	Ward, J.A.
Clark	Halverson	Lenczewski	Metsa	Radinovich	Ward, J.E.
Davnie	Hansen	Lesch	Moran	Rosenthal	Winkler
Dehn, R.	Hausman	Liebling	Morgan	Savick	Yarusso
Dill	Hilstrom	Lien	Mullery	Sawatzky	Spk. Thissen

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

Dean, M., moved to amend his amendment to S. F. No. 778, the fifth engrossment, as follows:

Page 1, line 3, before "Nothing" insert "(a)"

Page 1, after line 10, insert:

"(b) Dues, fair share fees, or any other mandatory or voluntary fees or payments shall not be deducted from child care assistance payments under chapter 119B made by the commissioner of human services to a family child care provider."

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 72 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, P.	Beard	Daudt	Dettmer	Fabian
Albright	Anderson, S.	Benson, M.	Davids	Drazkowski	FitzSimmons
Anderson, M.	Barrett	Cornish	Dean, M.	Erickson, S.	Franson

Garofalo	Hoppe	Lohmer	O'Driscoll	Schomacker	Woodard
Green	Howe	Loon	O'Neill	Scott	Zellers
Gruenhagen	Johnson, B.	Mack	Peppin	Swedzinski	Zerwas
Gunther	Kelly	McDonald	Petersburg	Theis	
Hackbarth	Kieffer	McNamara	Pugh	Torkelson	
Hamilton	Kiel	Myhra	Quam	Uglen	
Hertaus	Kresha	Newberger	Runbeck	Urdahl	
Holberg	Leidiger	Nornes	Sanders	Wills	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, E.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Murphy, M.	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Nelson	Simon
Benson, J.	Falk	Isaacson	Mariani	Newton	Simonson
Bernardy	Faust	Johnson, C.	Marquart	Paymar	Slocum
Bly	Fischer	Johnson, S.	Masin	Pelowski	Sundin
Brynaert	Freiberg	Kahn	McNamar	Persell	Wagenius
Carlson	Fritz	Laine	Melin	Poppe	Ward, J.A.
Clark	Halverson	Lenczewski	Metsa	Radinovich	Ward, J.E.
Davnie	Hansen	Lesch	Moran	Rosenthal	Winkler
Dehn, R.	Hausman	Liebling	Morgan	Savick	Yarusso
Dill	Hilstrom	Lien	Mullery	Sawatzky	Spk. Thissen

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

Dean, M., withdrew his amendment to S. F. No. 778.

Mack moved to amend S. F. No. 778, the fifth engrossment, as follows:

Page 6, line 7, after the period, insert "The appropriate unit does not include an individual providing services under the personal care assistance choice option authorized in section 256B.0659, subdivision 18, or an individual providing consumer directed community support services under section 256B.49, subdivision 16, paragraph (c)."

A roll call was requested and properly seconded.

The question was taken on the Mack amendment and the roll was called. There were 62 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Halverson	Leidiger	Peppin	Theis
Albright	Drazkowski	Hamilton	Lohmer	Petersburg	Uglen
Anderson, P.	Erickson, S.	Hertaus	Loon	Pugh	Urdahl
Anderson, S.	Fabian	Holberg	Mack	Quam	Wills
Barrett	FitzSimmons	Hoppe	McDonald	Rosenthal	Woodard
Beard	Franson	Howe	McNamara	Runbeck	Zellers
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	
Davids	Gunther	Kiel	O'Driscoll	Selcer	
Dean, M.	Hackbarth	Kresha	O'Neill	Swedzinski	

Those who voted in the negative were:

Allen	Dill	Hornstein	Lillie	Murphy, E.	Simon
Anderson, M.	Dorholt	Hortman	Loeffler	Murphy, M.	Simonson
Anzelc	Erhardt	Huntley	Mahoney	Nelson	Slocum
Atkins	Erickson, R.	Isaacson	Mariani	Newton	Sundin
Benson, J.	Falk	Johnson, C.	Marquart	Paymar	Torkelson
Bernardy	Faust	Johnson, S.	Masin	Pelowski	Wagenius
Bly	Fischer	Kahn	McNamar	Persell	Ward, J.A.
Brynaert	Freiberg	Laine	Melin	Poppe	Ward, J.E.
Carlson	Fritz	Lenczewski	Metsa	Radinovich	Winkler
Clark	Hansen	Lesch	Moran	Savick	Yarusso
Davnie	Hausman	Liebling	Morgan	Sawatzky	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Mullery	Schoen	

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

S. F. No. 778, A bill for an act relating to collective bargaining; authorizing collective bargaining for family child care providers; authorizing collective bargaining for home and community-based long-term care services; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 179A; 256B.

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 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Allen	Dorholt	Hortman	Mahoney	Newton	Slocum
Anzelc	Erhardt	Huntley	Mariani	Paymar	Sundin
Atkins	Erickson, R.	Isaacson	Marquart	Persell	Wagenius
Benson, J.	Falk	Johnson, C.	Masin	Poppe	Ward, J.A.
Bernardy	Fischer	Johnson, S.	Melin	Radinovich	Ward, J.E.
Bly	Freiberg	Kahn	Metsa	Rosenthal	Winkler
Brynaert	Fritz	Laine	Moran	Savick	Yarusso
Carlson	Halverson	Lenczewski	Morgan	Sawatzky	Spk. Thissen
Clark	Hansen	Lesch	Mullery	Schoen	
Davnie	Hausman	Lien	Murphy, E.	Selcer	
Dehn, R.	Hilstrom	Lillie	Murphy, M.	Simon	
Dill	Hornstein	Loeffler	Nelson	Simonson	

Those who voted in the negative were:

Abeler	Dean, M.	Gunther	Kresha	Nornes	Schomacker
Albright	Dettmer	Hackbarth	Leidiger	Norton	Scott
Anderson, M.	Drazkowski	Hamilton	Liebling	O'Driscoll	Swedzinski
Anderson, P.	Erickson, S.	Hertaus	Lohmer	O'Neill	Theis
Anderson, S.	Fabian	Holberg	Loon	Pelowski	Torkelson
Barrett	Faust	Hoppe	Mack	Peppin	Uglen
Beard	FitzSimmons	Howe	McDonald	Petersburg	Urdahl
Benson, M.	Franson	Johnson, B.	McNamar	Pugh	Wills
Cornish	Garofalo	Kelly	McNamara	Quam	Woodard
Daudt	Green	Kieffer	Myhra	Runbeck	Zellers
Davids	Gruenhagen	Kiel	Newberger	Sanders	Zerwas

The bill was passed and its title agreed to.

## TAKE FROM THE TABLE

Simon moved that H. F. No. 894, as amended by Conference, be taken from the table. The motion prevailed.

H. F. No. 894, as amended by Conference, and printed in the Journal of the House on Sunday, May 19, 2013, was again reported to the House.

## CONFERENCE COMMITTEE REPORT ON H. F. No. 894

H. F. No. 894, A bill for an act relating to elections; making policy, technical, and clarifying changes to various provisions related to election law, including provisions related to absentee voting, redistricting, ballots, registration, voting, caucuses, campaigns, the loss and restoration of voting rights, vacancies in nomination, county government structure, and election administration; providing an electronic roster pilot project and task force; requiring reports; appropriating money; amending Minnesota Statutes 2012, sections 5B.06; 13.851, subdivision 10; 103C.225, subdivision 3; 103C.305, subdivision 3; 103C.311, subdivision 2; 123A.48, subdivision 14; 201.054, subdivision 2, by adding a subdivision; 201.061, subdivision 3; 201.071, subdivision 2; 201.091, subdivision 8; 201.12, subdivision 3; 201.13, subdivision 1a; 201.14; 201.157; 201.275; 202A.14, subdivision 1; 203B.02, subdivision 1; 203B.04, subdivisions 1, 5; 203B.05, subdivision 1; 203B.06, subdivisions 1, 3; 203B.08, subdivision 3; 203B.081; 203B.121, subdivisions 1, 2, 3, 4, 5; 203B.227; 203B.28; 204B.04, by adding a subdivision; 204B.13, subdivisions 1, 2, 5, by adding subdivisions; 204B.18, subdivision 2; 204B.22, subdivision 1; 204B.28, subdivision 1; 204B.32, subdivision 1; 204B.33; 204B.35, subdivision 4; 204B.36, subdivision 1; 204B.45, subdivisions 1, 2; 204B.46; 204C.14; 204C.15, subdivision 1; 204C.19, subdivision 2; 204C.25; 204C.27; 204C.35, subdivision 1, by adding a subdivision; 204C.36, subdivision 1; 204D.08, subdivision 6; 204D.09, subdivision 2; 204D.11, subdivisions 1, 4, 5, 6; 204D.13, subdivision 3; 204D.14, subdivisions 1, 3; 204D.15, subdivision 3; 204D.16; 204D.165; 204D.19, subdivision 2, by adding a subdivision; 205.02, subdivision 2; 205.10, subdivision 3; 205.13, subdivision 1a; 205.16, subdivisions 4, 5; 205.17, subdivisions 1, 3; 205A.04, by adding a subdivision; 205A.05, subdivisions 1, 2; 205A.07, subdivisions 3, 3a, 3b; 205A.08, subdivision 1; 206.57, by adding a subdivision; 206.61, subdivision 4; 206.89, subdivision 2, by adding a subdivision; 206.895; 206.90, subdivision 6; 208.04, subdivisions 1, 2; 211B.045; 211B.37; 241.065, subdivision 2; 340A.416, subdivisions 2, 3; 340A.602; 375.20; 447.32, subdivisions 2, 3, 4; Laws 1963, chapter 276, section 2, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 2; 204B; 244; repealing Minnesota Statutes 2012, sections 2.484; 203B.04, subdivision 6; 204B.12, subdivision 2a; 204B.13, subdivisions 4, 6; 204B.22, subdivision 2; 204B.42; 204D.11, subdivisions 2, 3; 205.17, subdivisions 2, 4; 205A.08, subdivision 4.

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 99 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Abeler	Bly	Dorholt	Gunther	Hortman	Lesch
Allen	Brynaert	Erhardt	Halverson	Huntley	Liebling
Anderson, M.	Carlson	Erickson, R.	Hamilton	Isaacson	Lien
Anderson, P.	Clark	Falk	Hansen	Johnson, C.	Lillie
Anzelc	Daudt	Faust	Hausman	Johnson, S.	Loeffler
Atkins	Dauids	Fischer	Hertaus	Kahn	Loon
Beard	Davnie	Franson	Hilstrom	Kelly	Mack
Benson, J.	Dettmer	Freiberg	Hoppe	Laine	Mahoney
Bernardy	Dill	Fritz	Hornstein	Lenczewski	Mariani

Marquart	Mullery	O'Driscoll	Rosenthal	Simonson	Ward, J.E.
Masin	Murphy, E.	Paymar	Sanders	Slocum	Winkler
McNamar	Murphy, M.	Pelowski	Savick	Sundin	Woodard
McNamara	Myhra	Persell	Sawatzky	Torkelson	Yarusso
Melin	Nelson	Petersburg	Schoen	Uglen	Spk. Thissen
Metsa	Newberger	Poppe	Schomacker	Urdahl	
Moran	Newton	Pugh	Selcer	Wagenius	
Morgan	Norton	Radinovich	Simon	Ward, J.A.	

Those who voted in the negative were:

Albright	Dehn, R.	Gruenhagen	Kresha	Peppin	Wills
Anderson, S.	Drazkowski	Hackbarth	Leidiger	Quam	Zellers
Barrett	Erickson, S.	Holberg	Lohmer	Runbeck	
Benson, M.	Fabian	Howe	McDonald	Scott	
Cornish	FitzSimmons	Johnson, B.	Nornes	Swedzinski	
Dean, M.	Green	Kiel	O'Neill	Theis	

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

#### REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Murphy, E., for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

*Be It Resolved*, by the House of Representatives of the State of Minnesota, that during the time between adjournment in 2013 and the convening of the House of Representatives in 2014, the Chief Clerk and Chief Sergeant at Arms under the direction of the Speaker shall maintain House facilities in the Capitol Complex. The House chamber, retiring room, hearing and conference rooms, and offices shall be set up and made ready for legislative use and reserved for the House and its committees. Those rooms may be reserved for use by others that are not in conflict with use by the House. The House Chamber, retiring room, and hearing rooms may be used by YMCA Youth in Government, Girls' State, Young Leaders Organization, and 4-H Leadership Conference.

The motion prevailed and the resolution was adopted.

Murphy, E., for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

*Be It Resolved*, by the House of Representatives of the State of Minnesota, that it retains the use of the Speaker's parking place in front of the capitol building just east of the porte-cochère and parking lots B, C, D, N, O and the state office building parking ramp for members and employees of the House of Representatives during the time between adjournment in 2013 and the convening of the House of Representatives in 2014. The Sergeant at Arms is directed to manage the use of the lots and ramp while the House of Representatives is adjourned. The Controller of the House may continue to deduct from the check of any legislator or legislative employee a sum adequate to cover the exercise of the parking privilege.

The motion prevailed and the resolution was adopted.

Murphy, E., for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

*Be It Resolved*, by the House of Representatives of the State of Minnesota, that the Chief Clerk is directed to correct and approve the Journal of the House for the last day of the 2013 Regular Session.

*Be It Further Resolved* that the Chief Clerk is authorized to include in the Journal for the last day of the 2013 Regular Session any proceedings, including subsequent proceedings and any legislative interim committees or commissions created or appointments made to them by legislative action or by law.

The motion prevailed and the resolution was adopted.

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. 1214, A bill for an act relating to commerce; regulating motor vehicles; amending regulation of scrap metal processing; requiring proof of ownership or hold period for vehicles purchased for scrap; creating the automated property system; creating criminal penalties; amending Minnesota Statutes 2012, sections 168.27, subdivisions 1a, 19a, 23; 168A.15, subdivision 3; 168A.153, subdivisions 1, 3; 325E.21, subdivisions 1, 1a, 4, 8, 9, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 168A; repealing Minnesota Statutes 2012, section 168A.153, subdivision 2.

JOANNE M. ZOFF, 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. 607, A bill for an act relating to health; changing provisions for optometrists; amending Minnesota Statutes 2012, section 148.56, subdivision 1, by adding a subdivision.

JOANNE M. ZOFF, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Morgan moved that the House concur in the Senate amendments to H. F. No. 607 and that the bill be repassed as amended by the Senate. The motion prevailed.

The Speaker called Hortman to the Chair.

H. F. No. 607, A bill for an act relating to health; changing provisions for optometrists; amending Minnesota Statutes 2012, section 148.56, subdivision 1, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hausman	Lien	Newton	Simon
Albright	Dill	Hertaus	Lillie	Nornes	Simonson
Allen	Dorholt	Hilstrom	Loeffler	Norton	Slocum
Anderson, M.	Drazkowski	Holberg	Lohmer	O'Driscoll	Sundin
Anderson, P.	Erhardt	Hoppe	Loon	O'Neill	Swedzinski
Anderson, S.	Erickson, R.	Hornstein	Mack	Paymar	Theis
Anzelc	Erickson, S.	Hortman	Mahoney	Pelowski	Torkelson
Atkins	Fabian	Howe	Mariani	Peppin	Uglem
Barrett	Falk	Huntley	Marquart	Persell	Urdahl
Beard	Faust	Isaacson	Masin	Petersburg	Wagenius
Benson, J.	Fischer	Johnson, B.	McDonald	Poppe	Ward, J.A.
Benson, M.	FitzSimmons	Johnson, C.	McNamar	Pugh	Ward, J.E.
Bernardy	Franson	Johnson, S.	McNamara	Quam	Wills
Bly	Freiberg	Kahn	Melin	Radinovich	Winkler
Brynaert	Fritz	Kelly	Metsa	Rosenthal	Woodard
Carlson	Garofalo	Kieffer	Moran	Runbeck	Yarusso
Clark	Green	Kiel	Morgan	Sanders	Zellers
Cornish	Gruenhagen	Kresha	Mullery	Savick	Zerwas
Daudt	Gunther	Laine	Murphy, E.	Sawatzky	Spk. Thissen
Davids	Hackbarth	Leidiger	Murphy, M.	Schoen	
Davnie	Halverson	Lenczewski	Myhra	Schomacker	
Dean, M.	Hamilton	Lesch	Nelson	Scott	
Dehn, R.	Hansen	Liebling	Newberger	Selcer	

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

Mr. Speaker:

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

H. F. No. 1587, A bill for an act relating to insurance; regulating foreign language policies and advertising; authorizing electronic notices and documents; amending Minnesota Statutes 2012, sections 60A.08, by adding a subdivision; 65A.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Rules, part 2700.0200.

JOANNE M. ZOFF, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Halverson moved that the House concur in the Senate amendments to H. F. No. 1587 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1587, A bill for an act relating to insurance; regulating foreign language policies and advertising; authorizing electronic notices and documents; amending Minnesota Statutes 2012, sections 60A.08, by adding a subdivision; 65A.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Rules, part 2700.0200.

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

The question was taken on the repassage of the bill and the roll was called. There were 107 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hoppe	Loeffler	Newton	Simonson
Albright	Dill	Hornstein	Loon	Nornes	Slocum
Allen	Dorholt	Hortman	Mack	Norton	Sundin
Anderson, M.	Erhardt	Huntley	Mahoney	O'Driscoll	Swedzinski
Anderson, S.	Erickson, R.	Isaacson	Mariani	Paymar	Torkelson
Anzelc	Fabian	Johnson, B.	Marquart	Pelowski	Uglen
Atkins	Falk	Johnson, C.	Masin	Persell	Urdahl
Beard	Faust	Johnson, S.	McNamar	Petersburg	Wagenius
Benson, J.	Fischer	Kahn	McNamara	Poppe	Ward, J.A.
Bernardy	Freiberg	Kelly	Melin	Radinovich	Ward, J.E.
Bly	Fritz	Kiel	Metsa	Rosenthal	Wills
Brynaert	Gunther	Kresha	Moran	Sanders	Winkler
Carlson	Halverson	Laine	Morgan	Savick	Woodard
Clark	Hamilton	Lenczewski	Mullery	Sawatzky	Yarusso
Cornish	Hansen	Lesch	Murphy, E.	Schoen	Zellers
Daudt	Hausman	Liebling	Murphy, M.	Schomacker	Zerwas
Davids	Hilstrom	Lien	Myhra	Selcer	Spk. Thissen
Davnie	Holberg	Lillie	Nelson	Simon	

Those who voted in the negative were:

Anderson, P.	Drazkowski	Green	Kieffer	O'Neill	Theis
Barrett	Erickson, S.	Gruenhagen	Leidiger	Peppin	
Benson, M.	FitzSimmons	Hackbarth	Lohmer	Pugh	
Dean, M.	Franson	Hertaus	McDonald	Quam	
Dettmer	Garofalo	Howe	Newberger	Runbeck	

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

The following Conference Committee Report was received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1183

A bill for an act relating to state government; appropriating money from constitutionally dedicated legacy funds; modifying provisions of Lessard-Sams Outdoor Heritage Council; establishing certain land acquisition requirements; providing for agricultural water quality certification; modifying provisions for restoration evaluations;

requiring use of certain standards for public water access sites; establishing Greater Minnesota Regional Parks and Trails Commission; modifying certain metropolitan area regional park provisions; extending previous appropriation; modifying Clean Water Legacy Act; prohibiting sale and use of coal tar sealant; modifying Mississippi River corridor critical area program; modifying certain grant eligibility; requiring issuance of city license; authorizing certain expenditures; requiring recapture of certain funds previously appropriated; providing for reimbursement of certain costs; requiring reports; amending Minnesota Statutes 2012, sections 3.9741, subdivision 3; 10A.01, subdivision 35; 85.53, subdivision 2; 97A.056, subdivisions 3, 10, 11, by adding subdivisions; 114D.15, by adding a subdivision; 114D.50, subdivisions 4, 6, by adding subdivisions; 116G.15, subdivisions 2, 3, 4, 7; 129D.17, subdivision 2; 129D.19, subdivisions 1, 2; Laws 2001, chapter 193, section 10; Laws 2010, chapter 361, article 3, section 7; proposing coding for new law in Minnesota Statutes, chapters 17; 85; 114D; 116; repealing Minnesota Statutes 2012, section 116.201.

May 20, 2013

The Honorable Paul Thissen  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

We, the undersigned conferees for H. F. No. 1183 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. 1183 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2014, and June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. The "biennium" is fiscal years 2014 and 2015. The appropriations in this article are onetime.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2014</u></b>	<b><u>2015</u></b>
Sec. 2. <b><u>OUTDOOR HERITAGE FUND</u></b>		
Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$100,050,000</u></b>	<b><u>\$-0-</u></b>

This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Prairies</u></b>	<b><u>27,730,000</u></b>	<b><u>-0-</u></b>
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**(a) Grasslands for the Future**

\$2,000,000 in the first year is to the Board of Water and Soil Resources for a pilot project to acquire permanent conservation easements on grasslands in cooperation with the Minnesota Land Trust and the Conservation Fund. Up to \$1,850,000 may be used for agreements with the Minnesota Land Trust to acquire permanent conservation easements and up to \$75,000 may be used for establishing monitoring and enforcement funds with the Minnesota Land Trust and the Board of Water and Soil Resources, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Up to \$75,000 may be used for an agreement with the Conservation Fund for professional services. Easements funded under this appropriation are not subject to emergency haying and grazing orders. Any net proceeds accruing to a project partner from real estate transactions related to this project must be used for the purposes outlined in this appropriation. A list of permanent conservation easements must be provided as part of the required accomplishment plan.

**(b) Accelerating Wildlife Management Area Program - Phase V**

\$7,960,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(c) DNR Wildlife Management Area, Scientific and Natural Area, and Native Prairie Bank Easement - Phase V**

\$4,940,000 in the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8; acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5; and acquire native prairie bank easements under Minnesota Statutes, section 84.96. Up to \$42,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17, for native prairie bank easements. A list of proposed land and permanent conservation easement acquisitions must be provided as part of the required accomplishment plan.

**(d) Minnesota Prairie Recovery Project - Phase IV**

\$5,310,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie, wetland, and savanna and restore and enhance grasslands, wetlands, and savanna. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. Annual income statements and balance

sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year.

**(e) Minnesota Buffers for Wildlife and Water - Phase III**

\$3,520,000 in the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements to protect and enhance habitat by expanding clean water fund riparian wildlife buffers on private land. Up to \$120,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Easements funded under this appropriation are not subject to emergency haying and grazing orders. A list of permanent conservation easements must be provided as part of the final report.

**(f) Cannon River Headwaters Habitat Complex - Phase III**

\$1,780,000 in the first year is to the commissioner of natural resources for an agreement with Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or aquatic management area purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(g) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase V**

\$2,220,000 in the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of wildlife management areas, scientific and natural areas, and land under native prairie bank easements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. **Forests**

**7,130,000**

**-0-**

**(a) Young Forest Conservation**

\$1,180,000 in the first year is to the commissioner of natural resources for an agreement with the American Bird Conservancy to acquire lands in fee to be added to the wildlife management area system under Minnesota Statutes, section 86A.05, subdivision 8, and to restore and enhance habitat on publicly protected land. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(b) Camp Ripley Partnership - Phase III**

\$1,150,000 in the first year is to the Board of Water and Soil Resources and \$300,000 in the first year is to the Department of Natural Resources to acquire land in fee to be added to the wildlife management area system under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire permanent conservation easements on lands adjacent to the Mississippi and Crow Wing Rivers and within the boundaries of the Minnesota National Guard Army Compatible Use Buffer. Of the amount appropriated to the Board of Water and Soil Resources, \$49,900 is for a grant to the Morrison County Soil and Water Conservation District and up to \$33,600 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(c) Northeastern Minnesota Sharp-Tailed Grouse Habitat Program - Phase IV**

\$1,180,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Sharp-Tailed Grouse Society to acquire and enhance lands in Aitkin, Carlton, and Kanabec Counties for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(d) Protect Key Forest Habitat Lands in Cass County - Phase IV**

\$500,000 in the first year is to the commissioner of natural resources for an agreement with Cass County to acquire land in fee in Cass County for forest wildlife habitat or to prevent forest fragmentation. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(e) Critical Shoreline Habitat Protection Program - Phase II**

\$820,000 in the first year is to the commissioner of natural resources for an agreement with the Minnesota Land Trust to acquire permanent conservation easements along rivers and lakes in the northern forest region. Up to \$160,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements must be provided as part of the required accomplishment plan.

**(f) Minnesota Moose Habitat Collaborative - Phase II**

\$2,000,000 in the first year is to the commissioner of natural resources for an agreement with the Minnesota Deer Hunters Association to restore and enhance public forest lands in the northern forest region for moose habitat purposes. A list of proposed land restoration and enhancements must be provided as part of the required accomplishment plan.

Subd. 4. **Wetlands****31,150,000****-0-****(a) Reinvest in Minnesota Wetlands Reserve Program Partnership - Phase V**

\$13,390,000 in the first year is to the Board of Soil and Water Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program and Ducks Unlimited, including \$1,000,000 for an agreement with Ducks Unlimited to provide technical and bioengineering assistance. Up to \$120,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(b) Accelerating Waterfowl Production Area Acquisition - Phase V**

\$6,830,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(c) Living Shallow Lakes and Wetland Initiative - Phase III**

\$3,530,000 in the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(d) Wild Rice Shoreland Protection Program - Phase II**

\$1,630,000 in the first year is to the Board of Water and Soil Resources to acquire in fee wild rice lake shoreland habitat for native wild rice bed protection and to acquire permanent conservation easements in cooperation with Ducks Unlimited. Of this amount, \$100,000 is for an agreement with Ducks Unlimited for acquisition of land or interests in land to protect native wild

rice beds. Up to \$48,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be included as part of the required accomplishment plan.

**(e) Wetland Habitat Program**

\$1,980,000 in the first year is to the commissioner of natural resources for an agreement with the Minnesota Land Trust to acquire permanent conservation easements in high-priority wetland complexes in the prairie and forest/prairie transition regions. Up to \$280,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be included as part of the required accomplishment plan.

**(f) Accelerated Shallow Lakes and Wetlands Enhancement - Phase V**

\$1,790,000 in the first year is to the commissioner of natural resources to enhance and restore shallow lakes, including \$210,000 for an agreement with Ducks Unlimited to help implement restorations and enhancements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(g) Pelican Lake Enhancement**

\$2,000,000 in the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to construct a gravity outlet, water control structure, and pump station lift to enhance aquatic habitat in Pelican Lake in Wright County. A list of proposed land restoration and enhancements must be included as part of the required accomplishment plan.

Subd. 5. **Habitats**

**33,287,000**

**-0-**

**(a) DNR Aquatic Habitat - Phase V**

\$5,250,000 in the first year is to the commissioner of natural resources to acquire interests in land in fee for aquatic management purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

**(b) Habitat Protection in Dakota County - Phase IV**

\$4,100,000 in the first year is to the commissioner of natural resources for an agreement with Dakota County to acquire, restore, and enhance lands in Dakota County for fish and wildlife management purposes under Minnesota Statutes, section 86A.05,

subdivision 8, or aquatic management area purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to acquire permanent conservation easements and restore and enhance habitats in rivers and lake watersheds in Dakota County. Up to \$60,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(c) Root River Protection and Restoration**

\$2,750,000 in the first year is to the commissioner of natural resources for agreements to acquire land in fee for scientific and natural areas under Minnesota Statutes, sections 86A.05, subdivision 5, and for state forest purposes under Minnesota Statutes, section 86A.05, subdivision 7, and to acquire permanent conservation easements as follows: \$2,122,000 to The Nature Conservancy and \$628,000 to the Minnesota Land Trust. Up to \$100,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(d) Metro Big Rivers Habitat - Phase IV**

\$1,720,000 in the first year is to the commissioner of natural resources for agreements to acquire land in fee and as permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$450,000 to the Minnesota Valley National Wildlife Refuge Trust, Inc.; \$160,000 to the Friends of the Mississippi; \$210,000 to the Great River Greening; \$450,000 to the Minnesota Land Trust; and \$450,000 to the Trust for Public Land. Up to \$80,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(e) Minnesota Landscape Arboretum**

\$1,000,000 in the first year is to the Board of Regents of the University of Minnesota to acquire land in fee surrounding Lake Tamarack in Carver County to be added to the Minnesota Landscape Arboretum. A land description must be provided as part of the required accomplishment plan.

**(f) Lower Mississippi River Habitat Partnership - Phase III**

\$1,710,000 in the first year is to the commissioner of natural resources to enhance aquatic habitat. Of this amount, \$450,000 is for an agreement with the United States Fish and Wildlife Service

to enhance aquatic habitat in the lower Mississippi River watershed. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(g) Coldwater Fish Habitat Enhancement - Phase V**

\$2,470,000 in the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance coldwater river and stream habitats in Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(h) Albert Lea Lake Management and Invasive Species Control Structure - Phase III**

\$1,127,000 in the first year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct structural deterrents and lake level controls to enhance aquatic habitat on Albert Lea Lake in Freeborn County. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(i) Metropolitan Regional Parks Wildlife Habitat Protection and Restoration**

\$6,300,000 in the first year is to the Metropolitan Council for grants to restore and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife in the metropolitan regional parks system.

Funded projects must implement priority natural resource management plan components of regional park master plans approved by the Metropolitan Council.

**(j) Outdoor Heritage Conservation Partners Grant Program - Phase V**

\$6,860,000 is for the outdoor heritage conservation partners program. Of this amount, \$3,860,000 in the first year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from this appropriation for projects that have a total project cost exceeding \$575,000. Of this appropriation, \$366,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state

law. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2017. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summaries that are prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Of this amount, \$3,000,000 is for aquatic invasive species grants to tribal and local governments with a delegation agreement under Minnesota Statutes, section 84D.105, subdivision 2, paragraph (g), for education, inspection, and decontamination activities at public water access, and other sites. Up to four percent of this appropriation may be used to administer the grants.

**Subd. 6. Administration**

**753,000**

**-0-**

**(a) Contract Management**

\$175,000 in the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner shall provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on the expenditure of this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended prior to Lessard-Sams Outdoor Heritage Council approval of the accomplishment plan.

**(b) Legislative Coordinating Commission**

\$468,000 in the first year is to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensation and expense

reimbursement of council members. Funds in this appropriation are available until June 30, 2015. Minnesota Statutes, section 16A.281, applies to this appropriation.

**(c) Technical Evaluation Panel**

\$45,000 in the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to ten restoration evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

**(d) High-Priority Pre-Transaction Service Acceleration for Lessard-Sams Outdoor Heritage Council**

\$50,000 in the first year is to the commissioner of natural resources to provide land acquisition pre-transaction services including, but not limited to, appraisals, surveys, or title research for acquisition proposals under consideration by the Lessard-Sams Outdoor Heritage Council. A list of activities must be included in the final accomplishment plan.

**(e) Legacy Web Site**

\$15,000 the first year is for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

**Subd. 7. Availability of Appropriation**

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2016. For acquisition of real property, the amounts in this section are available until June 30, 2017, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2016, and closed no later than June 30, 2017. Funds for restoration or enhancement are available until June 30, 2018, or four years after acquisition, whichever is later, in order to complete initial restoration or enhancement work. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding. Funds appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have a minimal impact on habitat in acquired lands.

**Subd. 8. Payment Conditions and Capital Equipment Expenditures**

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures

directly related to each appropriation's purpose made on or after July 1, 2013, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

#### **Subd. 9. Mapping**

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Department of Natural Resources for mapping any lands acquired in fee with funds appropriated in this section and open to public taking of fish and game. The commissioner of natural resources shall include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps shall include information on and acknowledgement of the outdoor heritage fund, including a notation of any restrictions.

#### **Subd. 10. Appropriations Carryforward; Fee Title Acquisition**

The availability of the appropriation for the following project is extended to July 1, 2015: Laws 2010, chapter 361, article 1, section 2, subdivision 5, paragraph (h), Washington County St. Croix River Land Protection, and the appropriation may be spent on acquisition of land in fee title to protect habitat associated with the St. Croix River Valley. A list of proposed acquisitions must be provided as part of the accomplishment plan.

#### **Sec. 3. BIENNIAL RECOMMENDATIONS STUDY.**

The Lessard-Sams Outdoor Heritage Council, in consultation with the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources and the outdoor heritage fund, shall examine transitioning to a biennial recommendation process beginning with fiscal year 2016. The council shall submit its recommendations on the biennial process with its recommendations for outdoor heritage fund spending due January 1, 2014, to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources and the outdoor heritage fund.

ARTICLE 2  
CLEAN WATER FUND

Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015. The appropriations in this article are onetime.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**

**2014**                      **2015**

Sec. 2. **CLEAN WATER**

Subdivision 1. **Total Appropriation**

**\$97,301,000**

**\$97,680,000**

The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2014 appropriations are available until June 30, 2015, and fiscal year 2015 appropriations are available until June 30, 2016. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Sec. 3. **DEPARTMENT OF AGRICULTURE**

**\$7,310,000**

**\$7,460,000**

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices.

(b) \$2,500,000 the first year and \$2,500,000 the second year are to increase monitoring and evaluate trends in the concentration of nitrates in groundwater in areas vulnerable to groundwater degradation, including a substantial increase of monitoring of private wells in cooperation with the commissioner of health, monitoring for pesticides when nitrates are detected, and promoting and evaluating regional and crop-specific nutrient best

management practices to protect groundwater from degradation. Of this amount, \$75,000 may be used for accelerating the update for the commercial manure applicator manual. This amount is to be matched with general funds. This appropriation is available until June 30, 2016, when the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over agriculture and environment and natural resources policy and finance on the expenditure of these funds, including the progress in preventing groundwater degradation and recommendations. By October 15, 2014, the commissioner shall submit an interim report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over agriculture and environment and natural resources policy and finance on the expenditure of these funds, including recommendations.

(c) \$200,000 the first year and \$200,000 the second year are for the agriculture best management practices loan program. At least \$170,000 each year is for transfer to an agricultural and environmental revolving account created under Minnesota Statutes, section 17.117, subdivision 5a, and is available for pass-through to local government and lenders for low-interest loans under Minnesota Statutes, section 17.117. Any unencumbered balance that is not used for pass-through to local governments does not cancel at the end of the first year and is available for the second year.

(d) \$1,500,000 the first year and \$1,500,000 the second year are for research, pilot projects, and technical assistance on proper implementation of best management practices and more precise information on nonpoint contributions to impaired waters. This appropriation is available until June 30, 2018.

(e) \$1,000,000 the first year and \$1,100,000 the second year are for research to quantify agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources while maintaining productivity. This appropriation is available until June 30, 2018.

(f) \$100,000 the first year and \$150,000 the second year are for a research inventory database containing water-related research activities. Any information technology development or support or costs necessary for this research inventory database will be incorporated into the agency's service level agreement with and paid to the Office of Enterprise Technology. This appropriation is available until June 30, 2018.

(g) \$1,500,000 the first year and \$1,500,000 the second year are to implement a Minnesota agricultural water quality certification program. This appropriation is available until June 30, 2018.

(h) \$110,000 the first year and \$110,000 the second year are to provide funding for a regional irrigation water quality specialist through University of Minnesota Extension.

(i) \$50,000 the first year and \$50,000 the second year are to develop and implement a comprehensive, up-to-date instruction system for animal waste technicians who apply manure to the ground for hire.

Sec. 4. **PUBLIC FACILITIES AUTHORITY**

**\$11,000,000**

**\$11,000,000**

(a) \$9,000,000 the first year and \$9,000,000 the second year are for the total maximum daily load grant program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, 2018.

(b) \$2,000,000 the first year and \$2,000,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, 2018.

(c) If there are any uncommitted funds at the end of each fiscal year under paragraph (a) or (b), the Public Facilities Authority may transfer the remaining funds to eligible projects under any of the programs listed in this section based on their priority rank on the Pollution Control Agency's project priority list.

Sec. 5. **POLLUTION CONTROL AGENCY**

**\$28,365,000**

**\$28,265,000**

(a) \$7,600,000 the first year and \$7,600,000 the second year are for completion of 20 percent of the needed statewide assessments of surface water quality and trends. Of this amount, \$500,000 each year is to monitor and assess contaminants of emerging concern in groundwater and surface water, and \$100,000 each year is for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in the schools in the Red River of the North Watershed. The Red River Watershed Management Board shall provide a report to the commissioner of the Pollution Control Agency and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund by February 15, 2015, on the expenditure of these funds.

(b) \$9,400,000 the first year and \$9,400,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDL's each year over the biennium.

(c) \$1,125,000 the first year and \$1,125,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, and evaluating trends, including the reassessment of groundwater that was assessed ten to 15 years ago and found to be contaminated. By January 15, 2016, the commissioner shall submit a report with recommendations for reducing or preventing groundwater degradation from contaminants to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over environment and natural resources policy and finance.

(d) \$750,000 the first year and \$750,000 the second year are for water quality improvements in the lower St. Louis River and Duluth harbor within the St. Louis River System Area of Concern. This appropriation must be matched at a rate of 65 percent nonstate money to 35 percent state money.

(e) \$1,000,000 the first year and \$2,000,000 the second year are for the clean water partnership program to provide grants to protect and improve the basins and watersheds of the state and provide financial and technical assistance to study waters with nonpoint source pollution problems. Priority shall be given to projects preventing impairments and degradation of lakes, rivers, streams, and groundwater in accordance with Minnesota Statutes, section 114D.20, subdivision 2, clause (4). Any balance remaining in the first year does not cancel and is available for the second year.

(f) \$275,000 the first year and \$275,000 the second year are for storm water research and guidance.

(g) \$1,150,000 the first year and \$1,150,000 the second year are for TMDL research and database development.

(h) \$1,000,000 the first year and \$1,000,000 the second year are to initiate development of a multiagency watershed database reporting portal. Any information technology development or support or costs necessary for this research inventory database will be incorporated into the agency's service level agreement with and paid to the Office of Enterprise Technology.

(i) \$900,000 the first year and \$900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts.

(j) \$3,250,000 the first year and \$3,650,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment systems (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protection of groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are

otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means including property abandonment or buy-out. Counties also must report the number of compliance inspections of existing SSTS's conducted in areas under county jurisdiction. These required reports are to be part of established annual reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit shall be given priority for competitive grants under this paragraph. Of this amount, \$750,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$500,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures.

(k) \$1,500,000 the first year is for a competitive grant program for sewer projects that helps protect or restore the water quality of waters in any national park located in the state. Grants may be awarded to local government units and must be matched with 25 percent non-clean-water-fund dollars.

(l) \$375,000 the first year and \$375,000 the second year are for developing wastewater treatment system designs and practices and providing technical assistance. Of this amount, \$145,000 each year is for transfer to the Board of Regents of the University of Minnesota to provide ongoing support for design teams with scientific and technical expertise pertaining to wastewater management and treatment that will include representatives from the University of Minnesota, Pollution Control Agency, and municipal wastewater utilities and other wastewater engineering experts. The design teams shall promote the use of new technology, designs, and practices to address existing and emerging wastewater treatment challenges, including the treatment of wastewater for reuse and the emergence of new and other unregulated contaminants. This appropriation is available until June 30, 2016.

(m) \$40,000 the first year and \$40,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(n) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2015, as grants or contracts in this section are available until June 30, 2018.

Sec. 6. **DEPARTMENT OF NATURAL RESOURCES****\$12,635,000****\$9,450,000**

(a) \$2,000,000 the first year and \$2,000,000 the second year are for stream flow monitoring, including the installation of additional monitoring gauges, and monitoring necessary to determine the relationship between stream flow and groundwater.

(b) \$1,300,000 the first year and \$1,300,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

(c) \$135,000 the first year and \$135,000 the second year are for assessing mercury contamination of fish, including monitoring to track the status of waters impaired by mercury and mercury reduction efforts over time.

(d) \$1,850,000 the first year and \$1,850,000 the second year are for developing targeted, science-based watershed restoration and protection strategies, including regional technical assistance for TMDL plans and development of a watershed assessment tool, in cooperation with the commissioner of the Pollution Control Agency. By January 15, 2016, the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over environment and natural resources policy and finance providing the outcomes to lakes, rivers, streams, and groundwater achieved with this appropriation and recommendations.

(e) \$1,375,000 the first year and \$1,375,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) \$1,000,000 the first year and \$1,000,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities, including water quality protection in forested watersheds.

(g) \$675,000 the first year and \$675,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; assessing effectiveness of forestry best management practices for water quality; and developing an ecological monitoring database.

(h) \$615,000 the first year and \$615,000 the second year are for developing county geologic atlases.

(i) \$85,000 the first year is to develop design standards and best management practices for public water access sites to maintain and improve water quality by avoiding shoreline erosion and runoff.

(j) \$3,000,000 the first year is for beginning to develop and designate groundwater management areas under Minnesota Statutes, section 103G.287, subdivision 4. The commissioner, in consultation with the commissioners of the Pollution Control Agency, health, and agriculture, shall establish a uniform statewide hydrogeologic mapping system that will include designated groundwater management areas. The mapping system must include wellhead protection areas, special well construction areas, groundwater provinces, groundwater recharge areas, and other designated or geographical areas related to groundwater. This mapping system shall be used to implement all groundwater-related laws and for reporting and evaluations. This appropriation is available until June 30, 2017.

(k) \$500,000 the first year and \$500,000 the second year are for grants to counties and other local units of government to adopt and implement advanced shoreland protection measures. The grants awarded under this paragraph shall be for up to \$100,000 and must be used to restore and enhance riparian areas to protect, enhance, and restore water quality in lakes, rivers, and streams. Grant recipients must submit a report to the commissioner on the outcomes achieved with the grant. To be eligible for a grant under this paragraph, a county or other local unit of government must be adopting or have adopted an ordinance for the subdivision, use, redevelopment, and development of shoreland that has been approved by the commissioner of natural resources as having advanced shoreland protection measures. An ordinance must meet or exceed the following standards:

(1) requires new sewage treatment systems to be set back at least 100 feet from the ordinary high water level for recreational development shorelands and 75 feet for general development lake shorelands;

(2) requires redevelopment and new development on shoreland to have at least a 50-foot vegetative buffer. An access path and recreational use area may be allowed;

(3) requires mitigation when any variance to standards designed to protect lakes, rivers, and streams is granted;

(4) requires best management practices to be used to control storm water and sediment as part of a land alteration;

(5) includes other criteria developed by the commissioner; and

(6) has been adopted by July 1, 2015.

An ordinance that does not exceed all the standards in clauses (1) to (5) is considered to meet the requirement if the commissioner determines that the ordinance provides significantly greater protection for both waters and shoreland than those standards.

The commissioner of natural resources may develop additional criteria for the grants awarded under this paragraph. In developing the criteria, the commissioner shall consider the proposed changes to the department's shoreland rules discussed during the rulemaking process authorized under Laws 2007, chapter 57, article 1, section 4, subdivision 3. This appropriation is available until spent.

(l) \$100,000 the first year is for the commissioner of natural resources for rulemaking under Minnesota Statutes, section 116G.15, subdivision 7.

Sec. 7. **BOARD OF WATER AND SOIL RESOURCES**

**\$30,689,000**

**\$34,740,000**

(a) \$5,000,000 the first year and \$7,000,000 the second year are for grants to local government units organized for the management of water in a watershed or subwatershed that have multiyear plans that will result in a significant reduction in water pollution in a selected subwatershed. The grants may be used for the following purposes: establishment of riparian buffers; practices to store water for natural treatment and infiltration, including rain gardens; capturing storm water for reuse; stream bank, shoreland, and ravine stabilization; enforcement activities; and implementation of best management practices for feedlots within riparian areas and other practices demonstrated to be most effective in protecting, enhancing, and restoring water quality in lakes, rivers, and streams and protecting groundwater from degradation. Grant recipients must identify a nonstate cash match of at least 25 percent of the total eligible project costs. Grant recipients may use other legacy funds to supplement projects funded under this paragraph. Grants awarded under this paragraph are available for four years and priority shall be given to the three to six best designed plans each year. By January 15, 2016, the board shall submit an interim report on the outcomes achieved with this appropriation, including recommendations, to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over environment and natural resources policy and finance. This appropriation is available until June 30, 2018.

(b) \$9,705,000 the first year and \$10,756,000 the second year are for grants to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system (SSTS) projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans or local water management plans or their equivalents.

(c) \$3,500,000 the first year and \$4,500,000 the second year are for targeted local resource protection and enhancement grants for projects and practices that supplement or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation, including compliance.

(d) \$950,000 the first year and \$950,000 the second year are to provide state oversight and accountability, evaluate results, and measure the value of conservation program implementation by local governments, including submission to the legislature by March 1 each year an annual report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients, projects funded under this section, and the amount of pollution reduced.

(e) \$1,700,000 the first year and \$1,700,000 the second year are for grants to local units of government to ensure compliance with Minnesota Statutes, chapter 103E, and sections 103F.401 to 103F.455, including enforcement efforts. Of this amount, \$235,000 the first year is to update the Minnesota Public Drainage Manual and the Minnesota Public Drainage Law Overview for Decision Makers and to provide outreach to users.

(f) \$6,500,000 the first year and \$6,500,000 the second year are to purchase and restore permanent conservation easements on riparian buffers adjacent to lakes, rivers, streams, and tributaries, to keep water on the land in order to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. This appropriation may be used for restoration of riparian buffers protected by easements purchased with this appropriation and for stream bank restorations when the riparian buffers have been restored.

(g) \$1,300,000 the first year and \$1,300,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d). Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health.

(h) \$1,500,000 the first year and \$1,500,000 the second year are for community partners grants to local units of government for: (1) structural or vegetative management practices that reduce storm water runoff from developed or disturbed lands to reduce the movement of sediment, nutrients, and pollutants for restoration, protection, or enhancement of water quality in lakes, rivers, and streams and to protect groundwater and drinking water; and (2) installation of proven and effective water retention practices including, but not limited to, rain gardens and other vegetated infiltration basins and sediment control basins in order to keep

water on the land. The projects must be of long-lasting public benefit, include a local match, and be consistent with TMDL implementation plans or local water management plans or their equivalents. Local government unit costs may be used as a match.

(i) \$84,000 the first year and \$84,000 the second year are for a technical evaluation panel to conduct ten restoration evaluations under Minnesota Statutes, section 114D.50, subdivision 6.

(j) \$450,000 the first year and \$450,000 the second year are for assistance and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D.

(k) The board shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for up to \$500,000 the first year and up to \$500,000 the second year.

(l) The board may shift grant or cost-share funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority needs identified in local water management plans.

(m) The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(n) The appropriations in this section are available until June 30, 2018. Returned grant funds are available until expended and shall be regranted consistent with the purposes of this section.

Sec. 8. **DEPARTMENT OF HEALTH**

**\$4,635,000**

**\$4,635,000**

(a) \$1,150,000 the first year and \$1,150,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, including accelerating the development of health risk limits, including triclosan, and improving the capacity of the department's laboratory to analyze unregulated contaminants.

(b) \$1,615,000 the first year and \$1,615,000 the second year are for protection of drinking water sources.

(c) \$250,000 the first year and \$250,000 the second year are for cost-share assistance to public and private well owners for up to 50 percent of the cost of sealing unused wells.

(d) \$390,000 the first year and \$390,000 the second year are to update and expand the county well index, in cooperation with the commissioner of natural resources.

(e) \$325,000 the first year and \$325,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance to ensure that new well placement minimizes the potential for risks, in cooperation with the commissioner of agriculture.

(f) \$105,000 the first year and \$105,000 the second year are for monitoring recreational beaches on Lake Superior for pollutants that may pose a public health risk and mitigating sources of bacterial contamination that are identified.

(g) \$800,000 the first year and \$800,000 the second year are for the development and implementation of a groundwater virus monitoring plan, including an epidemiological study to determine the association between groundwater virus concentration and community illness rates. This appropriation is available until June 30, 2017.

(h) Unless otherwise specified, the appropriations in this section are available until June 30, 2016.

Sec. 9. METROPOLITAN COUNCIL

\$2,037,000

\$1,500,000

(a) \$500,000 the first year and \$500,000 the second year are for grants or loans for local inflow and infiltration reduction programs addressing high priority areas in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2. This appropriation is available until expended.

(b) \$537,000 the first year is for an agreement with the United States Geological Survey to investigate groundwater and surface water interaction in and around White Bear Lake and surrounding northeast metropolitan lakes, including seepage rate determinations, water quality of groundwater and surface water, isotope analyses, lake level analyses, water balance determination, and creation of a calibrated groundwater flow model, including a comparison of water levels with lakes bordering the study area. The council shall use the results to prepare guidance for other areas to use in addressing groundwater and surface water interaction issues. This is a onetime appropriation and is available until June 30, 2016.

(c) \$1,000,000 the first year and \$1,000,000 the second year are for metropolitan regional groundwater planning to achieve water supply reliability and sustainability, including determination of a sustainable regional balance of surface water and groundwater, a feasibility assessment of potential solutions to rebalance regional water use and identify potential solutions to address emerging subregional water supply issues such as the northeast metro, and development of an implementation plan that addresses regional targets and timelines and defines short- and medium-term milestones for achieving the desirable surface water and groundwater regional balance. By January 15, 2014, the commissioner shall submit an interim report on the expenditure of

this appropriation to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund.

Sec. 10. **UNIVERSITY OF MINNESOTA** **\$615,000** **\$615,000**

\$615,000 the first year and \$615,000 the second year are for developing county geologic atlases. This appropriation is available until June 30, 2018.

Sec. 11. **LEGISLATURE** **\$15,000** **\$15,000**

\$15,000 the first year and \$15,000 the second year are for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10, including detailed mapping.

Sec. 12. Minnesota Statutes 2012, section 114D.15, is amended by adding a subdivision to read:

**Subd. 13. Watershed restoration and protection strategy or WRAPS.** "Watershed restoration and protection strategy" or "WRAPS" means a document summarizing scientific studies of a major watershed no larger than a hydrologic unit code 8 including the physical, chemical, and biological assessment of the water quality of the watershed; identification of impairments and water bodies in need of protection; identification of biotic stressors and sources of pollution, both point and nonpoint; TMDL's for the impairments; and an implementation table containing strategies and actions designed to achieve and maintain water quality standards and goals.

Sec. 13. **[114D.26] WATERSHED RESTORATION AND PROTECTION STRATEGIES.**

**Subdivision 1. Contents.** The Pollution Control Agency shall develop watershed restoration and protection strategies. To ensure effectiveness and accountability in meeting the goals of this chapter, each WRAPS shall:

- (1) identify impaired waters and waters in need of protection;
- (2) identify biotic stressors causing impairments or threats to water quality;
- (3) summarize watershed modeling outputs and resulting pollution load allocations, wasteload allocations, and priority areas for targeting actions to improve water quality;
- (4) identify point sources of pollution for which a national pollutant discharge elimination system permit is required under section 115.03;
- (5) identify nonpoint sources of pollution for which a national pollutant discharge elimination system permit is not required under section 115.03, with sufficient specificity to prioritize and geographically locate watershed restoration and protection actions;
- (6) describe the current pollution loading and load reduction needed for each source or source category to meet water quality standards and goals, including wasteload and load allocations from TMDL's;
- (7) contain a plan for ongoing water quality monitoring to fill data gaps, determine changing conditions, and gauge implementation effectiveness; and

(8) contain an implementation table of strategies and actions that are capable of cumulatively achieving needed pollution load reductions for point and nonpoint sources, including:

(i) water quality parameters of concern;

(ii) current water quality conditions;

(iii) water quality goals and targets by parameter of concern;

(iv) strategies and actions by parameter of concern and the scale of adoptions needed for each;

(v) a timeline for achievement of water quality targets;

(vi) the governmental units with primary responsibility for implementing each watershed restoration or protection strategy; and

(vii) a timeline and interim milestones for achievement of watershed restoration or protection implementation actions within ten years of strategy adoption.

Subd. 2. **Reporting.** Beginning July 1, 2016, and every other year thereafter, the Pollution Control Agency must report on its Web site the progress toward implementation milestones and water quality goals for all adopted TMDL's and, where available, WRAPS's.

Subd. 3. **Timelines; administration.** Each year, the Pollution Control Agency must complete WRAPS's for at least ten percent of the state's major watersheds. WRAPS shall be governed by the procedures for approval and notice in section 114D.25, subdivisions 2 and 4, except that WRAPS need not be submitted to the United States Environmental Protection Agency.

Sec. 14. Minnesota Statutes 2012, section 114D.50, is amended by adding a subdivision to read:

Subd. 3a. **Nonpoint priority funding plan.** (a) Beginning July 1, 2014, and every other year thereafter, the Board of Water and Soil Resources shall prepare and post on its Web site a priority funding plan to prioritize potential nonpoint restoration and protection actions based on available WRAPS's, TMDL's, and local water plans. The plan must take into account the following factors: water quality outcomes, cost-effectiveness, landowner financial need, and leverage of nonstate funding sources. The plan shall include an estimated range of costs for the prioritized actions.

(b) Consistent with the priorities listed in section 114D.20, state agencies allocating money from the clean water fund for nonpoint restoration and protection strategies shall target the money according to the priorities identified on the nonpoint priority funding plan. The allocation of money from the clean water fund to projects eligible for financial assistance under section 116.182 is not governed by the nonpoint priority funding plan.

Sec. 15. Minnesota Statutes 2012, section 114D.50, is amended by adding a subdivision to read:

Subd. 4a. **Riparian buffer payments; reporting.** When clean water funds are used to purchase riparian buffer easements, payments for the first 50 feet of riparian buffer that are noncompliant with Minnesota Rules, part 6120.3300, may not exceed noncropped rates as established under section 103F.515. The Board of Water and Soil Resources must include in its biennial report on clean water fund appropriations the funding spent on easements for riparian buffers that are not compliant with Minnesota Rules, part 6120.3300.

Sec. 16. Minnesota Statutes 2012, section 114D.50, subdivision 6, is amended to read:

Subd. 6. **Restoration evaluations.** The Board of Water and Soil Resources may convene a technical evaluation panel comprised of five members, including one technical representative from the Board of Water and Soil Resources, one technical representative from the Department of Natural Resources, one technical expert from the University of Minnesota or the Minnesota State Colleges and Universities, and two representatives with expertise related to the project being evaluated. The board may add a technical representative from a unit of federal or local government. The members of the technical evaluation panel may not be associated with the restoration, may vary depending upon the projects being reviewed, and shall avoid any potential conflicts of interest. Each year, the board may assign a coordinator to identify a sample of ~~up to ten~~ habitat restoration projects completed with clean water funding. The coordinator shall secure the restoration plans for the projects specified and direct the technical evaluation panel to evaluate the restorations relative to the law, current science, and the stated goals and standards in the restoration plan and, when applicable, to the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines. The coordinator shall summarize the findings of the panel and provide a report to the chairs of the respective house of representatives and senate policy and finance committees with jurisdiction over natural resources and spending from the clean water fund. The report shall determine if the restorations are meeting planned goals, any problems with the implementation of restorations, and, if necessary, recommendations on improving restorations. The report shall be focused on improving future restorations. Up to one-tenth of one percent of forecasted receipts from the clean water fund may be used for restoration evaluations under this section.

Sec. 17. **[116.202] COAL TAR SEALANT USE AND SALE PROHIBITED.**

Subdivision 1. **Definitions.** The following terms have the meanings given.

(a) "Coal tar sealant product" means a surface applied sealing product containing coal tar, coal tar pitch, coal tar pitch volatiles, or any variation assigned the Chemical Abstracts Service (CAS) numbers 65996-93-2, 65996-89-6, or 8007-45-2.

(b) "Commissioner" means the commissioner of the Pollution Control Agency.

Subd. 2. **Use prohibited.** Except as provided in subdivision 4, a person shall not apply coal tar sealant products on asphalt-paved surfaces.

Subd. 3. **Sale prohibited.** Except as provided in subdivision 4, a person shall not sell a coal tar sealant product that is formulated or marketed for application on asphalt-paved surfaces.

Subd. 4. **Exemptions.** The commissioner may exempt a person from this section if the commissioner determines that one or both of the following apply:

(1) the person is researching the effects of a coal tar sealant product on the environment; or

(2) the person is developing an alternative technology and the use of a coal tar sealant product is required for research or development.

A request for exemption must be made to the commissioner in writing including an explanation of why the exemption is needed for research, or the development of an alternative technology.

Subd. 5. **Compliance and enforcement.** Local units of government may adopt by reference and enforce the provisions of this section. The commissioner may provide technical support to local units of government for compliance and enforcement of this section. The commissioner may respond to compliance and enforcement cases transcending jurisdictional boundaries, cases requiring statewide corrective actions, or requests for assistance or referral from local units of government.

**EFFECTIVE DATE.** This section is effective January 1, 2014.

Sec. 18. Minnesota Statutes 2012, section 116G.15, subdivision 2, is amended to read:

Subd. 2. **Administration; duties.** (a) The commissioner of natural resources, after consultation with affected local units of government within the Mississippi River corridor critical area, may adopt rules under chapter 14 as are necessary for the administration of the Mississippi River corridor critical area program. Duties of the Environmental Quality Council or the Environmental Quality Board referenced in this chapter, related rules, and the governor's Executive Order No. 79-19, published in the State Register on March 12, 1979, that are related to the Mississippi River corridor critical area shall be the duties of the commissioner. All rules adopted by the board pursuant to these duties remain in effect and shall be enforced until amended or repealed by the commissioner in accordance with law. The commissioner shall work in consultation with the United States Army Corps of Engineers, the National Park Service, the Metropolitan Council, other agencies, and local units of government to ensure that the Mississippi River corridor critical area is managed as a multipurpose resource in a way that:

(1) conserves the scenic, environmental, recreational, mineral, economic, cultural, and historic resources and functions of the river corridor;

(2) maintains the river channel for transportation by providing and maintaining barging and fleeting areas in appropriate locations consistent with the character of the Mississippi River and riverfront;

(3) provides for the continuation ~~and~~ development, and redevelopment of a variety of urban uses, including industrial and commercial uses, and recreational and residential uses, where appropriate, within the Mississippi River corridor;

(4) utilizes certain reaches of the river as a source of water supply and as a receiving water for properly treated sewage, storm water, and industrial waste effluents; and

(5) protects and preserves the biological and ecological functions of the corridor.

(b) The Metropolitan Council shall incorporate the standards developed under this section into its planning and shall work with local units of government and the commissioner to ensure the standards are being adopted and implemented appropriately.

(c) The rules must be consistent with residential nonconformity provisions under sections 394.36 and 462.357.

Sec. 19. Minnesota Statutes 2012, section 116G.15, subdivision 3, is amended to read:

Subd. 3. **Districts.** The commissioner shall establish, by rule, districts within the Mississippi River corridor critical area. The commissioner must seek to determine an appropriate number of districts within any one municipality and take into account municipal plans and policies, and existing ordinances and conditions. The commissioner shall consider the following when establishing the districts:

~~(1) the protection of the major features of the river in existence as of March 12, 1979;~~

~~(2)~~ (1) the protection of improvements such as parks, trails, natural areas, recreational areas, and interpretive centers;

~~(3)~~ (2) the use of the Mississippi River as a source of drinking water;

~~(4)~~ (3) the protection of resources identified in the Mississippi National River and Recreation Area Comprehensive Management Plan;

~~(5)~~ (4) the protection of resources identified in comprehensive plans developed by counties, cities, and towns within the Mississippi River corridor critical area;

~~(6) the intent of the Mississippi River corridor critical area land use districts from the governor's Executive Order No. 79-19, published in the State Register on March 12, 1979; and~~

(5) management of the river corridor consistent with its natural characteristics and its existing development, and in consideration of potential new commercial, industrial, and residential development; and

~~(7)~~ (6) identified scenic, geologic, and ecological resources.

Sec. 20. Minnesota Statutes 2012, section 116G.15, subdivision 4, is amended to read:

Subd. 4. **Standards.** (a) The commissioner shall establish, by rule, minimum guidelines and standards for the districts established in subdivision 3. The guidelines and standards for each district shall include the intent of each district and key resources and features to be protected or enhanced based upon paragraph (b). The commissioner must take into account municipal plans and policies, and existing ordinances and conditions when developing the guidelines in this section. The commissioner may provide certain exceptions and criteria for standards, including, but not limited to, exceptions for river access facilities, water supply facilities, storm water facilities, and wastewater treatment facilities, and hydropower facilities.

(b) The guidelines and standards must protect or enhance the following key resources and features:

- (1) floodplains;
- (2) wetlands;
- (3) gorges;
- (4) areas of confluence with key tributaries;
- (5) natural drainage routes;
- (6) shorelines and riverbanks;
- (7) bluffs;
- (8) steep slopes and very steep slopes;
- (9) unstable soils and bedrock;
- (10) significant existing vegetative stands, tree canopies, and native plant communities;
- (11) scenic views and vistas;
- (12) publicly owned parks, trails, and open spaces;
- (13) cultural and historic sites and structures; and
- (14) water quality; and
- (15) commercial, industrial, and residential resources.

~~(c) The commissioner shall establish a map to define bluffs and bluff related features within the Mississippi River corridor critical area. At the outset of the rulemaking process, the commissioner shall create a preliminary map of all the bluffs and bluff lines within the Mississippi River corridor critical area, based on the guidelines in~~

~~paragraph (d). The rulemaking process shall provide an opportunity to refine the preliminary bluff map. The commissioner may add to or remove areas of demonstrably unique or atypical conditions that warrant special protection or exemption. At the end of the rulemaking process, the commissioner shall adopt a final bluff map that contains associated features, including bluff lines, bases of bluffs, steep slopes, and very steep slopes.~~

(d) The following guidelines shall be used by the commissioner to create a preliminary bluff map as part of the rulemaking process:

(1) "bluff face" or "bluff" means the area between the bluff line and the bluff base. A high, steep, natural topographic feature such as a broad hill, cliff, or embankment with a slope of 18 percent or greater and a vertical rise of at least ten feet between the bluff base and the bluff line;

(2) "bluff line" means a line delineating the top of a slope connecting the points at which the slope becomes less than 18 percent. More than one bluff line may be encountered proceeding upslope from the river valley;

(3) "base of the bluff" means a line delineating the bottom of a slope connecting the points at which the slope becomes 18 percent or greater. More than one bluff base may be encountered proceeding landward from the water;

(4) "steep slopes" means 12 percent to 18 percent slopes. Steep slopes are natural topographic features with an average slope of 12 to 18 percent measured over a horizontal distance of 50 feet or more; and

(5) "very steep slopes" means slopes 18 percent or greater. Very steep slopes are natural topographic features with an average slope of 18 percent or greater, measured over a horizontal distance of 50 feet or more.

Sec. 21. Minnesota Statutes 2012, section 116G.15, subdivision 7, is amended to read:

Subd. 7. **Rules.** The commissioner shall adopt rules to ensure compliance with this section. By January 15, 2010, the commissioner shall begin the rulemaking required by this section under chapter 14. Notwithstanding sections 14.125 and 14.128, the authority to adopt these rules does not expire.

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

Sec. 22. **MISSISSIPPI RIVER CORRIDOR CRITICAL AREA REPORT.**

By January 15, 2014, the commissioner of natural resources shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over natural resources finance and policy and the clean water fund on the status of the rulemaking authorized under Minnesota Statutes, section 116G.15.

Sec. 23. **REPEALER.**

Minnesota Statutes 2012, section 116.201, is repealed.

**EFFECTIVE DATE.** This section is effective January 1, 2014.

### ARTICLE 3 PARKS AND TRAILS FUND

Section 1. **PARKS AND TRAILS FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed



(c) \$4,877,000 the first year and \$4,399,000 the second year are for grants for parks and trails of regional or statewide significance outside of the metropolitan area. Of this amount:

(1) \$1,338,000 is for development of the Swedish Immigrant Trail, including amenities in Taylors Falls connecting the trail to Interstate State Park;

(2) \$75,000 is for rehabilitation of Sunrise Prairie Trail;

(3) \$500,000 is for construction of the Lowell to Lakewalk Trail in Duluth;

(4) \$1,250,000 is for the Mesabi Trail. Of this amount, \$260,000 is for trail connections to connect Grand Rapids, LaPrairie, and Coleraine with the Mesabi Trail;

(5) \$920,000 is for extensions and connections to the Rocori Trail;

(6) \$1,000,000 is for extensions and connections to the Lake Wobegon Trail;

(7) \$100,000 is for the Beaver Bay Trail, including trailhead amenities;

(8) \$184,000 is for trail connections and camping facilities in Aitkin County for the Mississippi River parks and water trail project;

(9) \$1,000,000 is for trail enhancement, land acquisition, and other improvements at Sauk River Regional Park;

(10) \$1,000,000 is for restoration of parks and trails in the Duluth area impacted by the flood of 2012;

(11) \$75,000 is for planning and design of trail connections between the cities of Hermantown and Proctor and the Munger State Trail;

(12) \$530,000 is for trail improvements on the Duluth Cross City West Trail and the Superior Hiking Trail near the intersection of County State-Aid Highway 91 and Haines Road in St. Louis County;

(13) \$750,000 is for park improvements in Paul Bunyan Park and Library Park in the city of Bemidji;

(14) \$275,000 is for park improvements at M. B. Johnson Park in the city of Moorhead; and

(15) \$279,000 is for park improvements at the Milford Mine Memorial Park in Crow Wing County.

(d) \$200,000 the first year and \$207,000 the second year are for enhanced, integrated, and accessible Web-based information for park and trail users; joint marketing and promotional efforts for all parks and trails of regional or statewide significance; and support of activities of a parks and trails legacy advisory committee. Of this amount, \$100,000 the first year and \$103,000 the second year are for Greater Minnesota Parks and Trails Commission capacity building.

(e) The commissioner shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$1,000,000 the first year and \$1,000,000 the second year.

(f) A recipient of a grant awarded under this section must give consideration to Conservation Corps Minnesota for possible use of the corps' services to contract for restoration and enhancement services.

(g) For projects with the potential to need historic preservation services, the commissioner or a recipient of a grant awarded under this section must give consideration to the Northern Bedrock Conservation Corps for possible use of the corps' services.

(h) By January 15, 2015, the commissioner shall submit a list of projects, ranked in priority order, that contains the Department of Natural Resources' recommendations for funding from the parks and trails fund for the 2016-2017 biennium to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

Sec. 4. **METROPOLITAN COUNCIL**

**\$16,821,000**

**\$16,953,000**

(a) \$16,821,000 the first year and \$16,953,000 the second year are for parks and trails of regional or statewide significance in the metropolitan area, distributed according to paragraphs (b) to (1). Any funds remaining after completion of the listed project may be spent on projects to support parks and trails by the implementing agency.

(b) \$1,443,000 the first year and \$1,455,000 the second year are for grants to Anoka County for:

(1) a trail connection for Bunker Hills Regional Park from Avocet Street;

(2) restoration, including erosion repair, along Pleasure Creek and the Mississippi River Regional Trail at the Coon Rapids Dam Regional Park;

(3) a new playground and surfacing at Lake George Regional Park;

(4) land acquisition for the Rice Creek Chain of Lakes Park Reserve;

(5) improvements at the Rice Creek Chain of Lakes Park Reserve, including maintenance shop rehabilitation, road and parking construction, fencing, beach improvements, and roof repairs;

(6) trail reconstruction under East River Road on the Rice Creek West Regional Trail;

(7) contracts with Conservation Corps Minnesota;

(8) a volunteer or resource coordinator position;

(9) a landscape designer or architect;

(10) design, engineering, and construction of the Central Anoka County Regional Trail;

(11) road rehabilitation at Lake George Regional Park;

(12) reconstruction of a retaining wall on the Mississippi River Regional Trail;

(13) a trail connection on the Mississippi River Regional Trail to connect Mississippi West Regional Park to the city of Ramsey;

(14) improvements of the Heritage Laboratory/Day Camp at the Rice Creek Chain of Lakes Park Reserve; and

(15) trail reconstruction on the Rice Creek North Regional Trail from Lexington Avenue to Golden Lake Elementary School.

(c) \$289,000 the first year and \$292,000 the second year are for grants to the city of Bloomington to reconstruct parking lots at the Hyland-Bush-Anderson Lakes Park Reserve.

(d) \$294,000 the first year and \$297,000 the second year are for grants to Carver County to connect the Minnesota River Bluffs Regional Trail and Southwest Regional Trail and for trail and bridge construction on the Minnesota River Bluff Regional Trail.

(e) \$1,174,000 the first year and \$1,183,000 the second year are for grants to Dakota County for:

(1) engineering to extend the Mississippi River Regional Trail and Big Rivers Regional Trails, including extensions to St. Paul, and to provide a connection to Lilydale Regional Trail;

(2) a trail connection for the Mississippi River Regional Trail to connect St. Paul and to construct a bridge over railroad tracks;

(3) engineering and construction of regional trail segments throughout the county;

(4) engineering and construction of a bridge and trails through the Minnesota Zoological Garden on the North Creek Regional Greenway; and

(5) resource management of the county's parks and trails system.

(f) \$3,221,000 the first year and \$3,246,000 the second are for grants to the Minneapolis Park and Recreation Board for:

(1) design and construction of trail loops, river access areas, landscapes, and storm water management improvements at Above the Falls Regional Park;

(2) land acquisition at Above the Falls Regional Park;

(3) a master plan and trail design for Central Mississippi Riverfront Regional Park;

(4) planning and design for the Central Riverfront including the water works and the Mississippi Whitewater Park sites;

(5) trail, path, and shoreline improvements and play area rehabilitation at Nokomis-Hiawatha Regional Park;

(6) trail, shoreline, water access, picnic, sailboat facility, and concession improvements at Minneapolis Chain of Lakes Regional Park;

(7) a bird sanctuary, trail stabilization, habitat restoration, accessibility improvements, and construction of new entrances at Minneapolis Chain of Lakes Regional Park;

(8) a trail connection for the Minnehaha Parkway Regional Trail below Lyndale Avenue; and

(9) trail work at Theodore Wirth Regional Park.

(g) \$1,299,000 the first year and \$1,309,000 the second year are for grants to Ramsey County for:

(1) wayfinding for cross-country ski trails at Battle Creek Regional Park, Tamarack Nature Center, and Grass-Vadnais-Snail Lakes Regional Park;

(2) contracts with Conservation Corps Minnesota;

(3) design and construction of an early learning center at Tamarack Nature Center and pedestrian connections, landscape restoration, signage, and other site amenities at Bald Eagle-Otter Lakes Regional Park;

(4) improvements to Tamarack Nature Center;

(5) building and supporting a volunteer corps for Tamarack Nature Center and Discovery Hollow;

(6) trail development to connect Tamarack Nature Center to the Otter Lake boat launch;

(7) a trail on Vadnais Lake, storm water management improvements, and site amenities at Grass-Vadnais-Snail Lakes Regional Park;

(8) trail development and connection, storm water management improvements, and site amenities at Rice Creek North Regional Trail; and

(9) the Bruce Vento Regional Trail.

(h) \$2,378,000 the first year and \$2,397,000 the second year are for grants to the city of Saint Paul for:

(1) an education coordinator;

(2) a volunteer coordinator;

(3) Como Regional Park shuttle operation;

(4) a trail connection to connect Harriet Island to the Mississippi Regional Trail;

(5) Estabrook Road reconstruction and lighting upgrades at Como Regional Park; and

(6) a trail connection and railroad bridge reconstruction at Lilydale Regional Park.

(i) \$550,000 the first year and \$554,000 the second year are for grants to Scott County for construction at Cedar Lake Farm Regional Park.

(j) \$3,669,000 the first year and \$3,697,000 the second year are for grants to Three Rivers Park District for:

(1) a trail connection to connect Grand Rounds to Nine Mile Creek Trail;

(2) a trail bridge over County State-Aid Highway 19 for the Lake Minnetonka LRT Regional Trail;

(3) trail construction on the Crystal Lake Regional Trail;

(4) trail construction on the Bassett Creek Regional Trail;

(5) trail construction on the Twin Lakes Regional Trail; and

(6) trail construction on the Nine Mile Creek Regional Trail.

(k) \$821,000 the first year and \$827,000 the second year are for grants to Washington County for:

(1) parking, buildings, and other improvements at the Swim Pond in Lake Elmo Park Reserve;

(2) design and construction of the Point Douglas Regional Trail, which connects to Wisconsin; and

(3) paving improvements to Hardwood Creek Regional Trail, which may include new trail sections toward Bald Eagle Regional Park.

(l) \$1,682,000 the first year and \$1,695,000 the second year are for grants to implementing agencies for land acquisition within Metropolitan Council approved regional parks and trails master plan boundaries as provided under Minnesota Statutes, section 85.53, subdivision 3, clause (4).

(m) A recipient of a grant awarded under this section must give consideration to Conservation Corps Minnesota for possible use of corps services to contract for restoration and enhancement services.

(n) For projects with the potential to need historic preservation services, a recipient of a grant awarded under this section must give consideration to the Northern Bedrock Conservation Corps for possible use of the corps' services.

(o) By January 15, 2015, the council shall submit a list of projects, ranked in priority order, that contains the council's recommendations for funding from the parks and trails fund for the 2016 and 2017 biennium to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

Sec. 5. **LEGISLATURE**

**\$7,000**

**\$6,000**

\$7,000 the first year and \$6,000 the second year are for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10, including detailed mapping.

Sec. 6. **UNIVERSITY OF MINNESOTA**

**\$250,000**

**\$-0-**

\$250,000 the first year is for the University of Minnesota Center for Changing Landscapes to update the long-range inventory and framework for an integrated statewide parks and trails network that provides information on the natural resource-based recreational opportunities available throughout the state. The detailed inventory and framework must be updated to include new census

data, updated data from the Greater Minnesota Regional Parks and Trails study authorized by the 2011 legislature, updated physical information, the adoption of a user-friendly platform for the information, and the development of a standardized survey tool for use by:

(1) the commissioner of natural resources for state parks and trails;

(2) metropolitan area park and trail agencies for metropolitan parks and trails; and

(3) park and trail managers outside the metropolitan area for parks and trails of regional or statewide significance.

In updating the inventory and framework, the Center for Changing Landscapes shall consult with the Department of Natural Resources, the Office of Explore Minnesota Tourism, the Greater Minnesota Regional Parks and Trails Commission, the Metropolitan Council, local units of government, park and trail groups, the public, and other stakeholder groups. The Center for Changing Landscapes shall submit a report on the updated inventory and framework and a summary of the inventory to the commissioner of natural resources and to the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over natural resources policy and finance by February 15, 2015.

Sec. 7. Minnesota Statutes 2012, 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;
- (24) citizen member of the Clean Water Council established in section 114D.30; ~~or~~
- (25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07; or
- (26) member of the Greater Minnesota Regional Parks and Trails Commission.

Sec. 8. **[85.536] GREATER MINNESOTA REGIONAL PARKS AND TRAILS COMMISSION.**

Subdivision 1. **Establishment; purpose.** The Greater Minnesota Regional Parks and Trails Commission is created to undertake system planning and provide recommendations to the legislature for grants funded by the parks and trails fund to counties and cities outside of the seven-county metropolitan area for parks and trails of regional significance.

Subd. 2. **Commission.** The commission shall include 13 members appointed by the governor with two members from each of the regional parks and trails districts determined under subdivision 5 and one member at large. Membership terms, compensation, and removal of members and filling of vacancies are as provided in section 15.0575.

Subd. 3. **First appointments.** The governor shall make the first appointment by June 15, 2013. The governor shall designate six of the first appointees to terms ending on the first Monday in January 2015, and the remainder of the first appointees shall serve terms ending the first Monday in January 2016.

Subd. 4. **First meeting.** The governor or the governor's designee shall convene the first meeting of the commission by July 15, 2013, and shall act as chair until the commission elects a chair. The commission shall elect a chair at its first meeting.

Subd. 5. **Districts; plans and hearings.** (a) The commissioner of natural resources, in consultation with the Greater Minnesota Regional Parks and Trails Coalition, shall establish six regional parks and trails districts in the state encompassing the area outside the seven-county metropolitan area. The commissioner shall establish districts by combining counties and may not assign a county to more than one district.

(b) The commission shall develop a strategic plan and criteria for determining parks and trails of regional significance that are eligible for funding from the parks and trails fund and meet the criteria under subdivision 6.

(c) Counties within each district may jointly prepare, after consultation with all affected municipalities, and submit to the commission, and from time to time revise and resubmit to the commission, a master plan for the acquisition and development of parks and trails of regional significance located within the district. Districtwide plans and master plans for individual parks and trails must meet the protocols and criteria as set forth in the Greater Minnesota Regional Parks and Trails strategic plan. The counties, after consultation with the commission, shall jointly hold a public hearing on the proposed plan and budget at a time and place determined by the counties. Not less than 15 days before the hearing, the counties shall provide notice of the hearing stating the date, time, and place of the hearing and the place where the proposed plan and budget may be examined by any interested person. At any hearing, interested persons shall be permitted to present their views on the plan and budget.

(d) The commission shall review each master plan to determine whether it meets the conditions of subdivision 7. If it does not, the commission shall return the plan with its comments to the district for revision and resubmittal.

Subd. 6. **Regional significance.** The commission must determine whether a park or trail is regionally significant under this section based on the definitions and criteria determined in the Greater Minnesota Parks and Trails Strategic Plan, along with the following criteria:

(1) a park must provide a natural resource-based setting and should provide outdoor recreation facilities and multiple activities that are primarily natural resource-based;

(2) a trail must serve more than a local population and where feasible connect to existing or planned state or regional parks or trails;

(3) a park or trail must be utilized by a regional population that may encompass multiple jurisdictions; and

(4) a park may include or a trail may pass unique natural, historic, or cultural features or characteristics.

Subd. 7. **Recommendations.** (a) In recommending grants under this section, the commission shall make recommendations consistent with master plans.

(b) The commission shall determine recommended grant amounts through an adopted merit-based evaluation process that includes the level of local financial support. The evaluation process is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(c) When recommending grants, the commission shall consider balance of the grant benefits across greater Minnesota.

(d) Grants may be recommended only for parks and trails included in a plan approved by the commission under subdivision 5.

Subd. 8. **Chair.** The commission shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 9. **Meetings.** The commission shall meet at least twice each year. Commission meetings are subject to chapter 13D.

Subd. 10. **Report.** The commission shall submit a report by January 15 each year listing its recommendations under subdivision 7, in priority order, to the chairs and ranking minority members of the committees of the senate and house of representatives with primary jurisdiction over legacy appropriations.

Subd. 11. **Conflict of interest.** A member of the commission may not participate in or vote on a decision of the commission relating to an organization in which the member has either a direct or indirect financial interest.

Subd. 12. **Definitions.** For purposes of this section, "commission" means the Greater Minnesota Regional Parks and Trails Commission established under this section.

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

Sec. 9. **MISSISSIPPI WHITEWATER PARK.**

The appropriation in Laws 2003, chapter 128, article 1, section 5, subdivision 6, from the water recreation account in the natural resources fund for a cooperative project with the United States Army Corps of Engineers to develop the Mississippi Whitewater Park is available until June 30, 2018.

ARTICLE 4

ARTS AND CULTURAL HERITAGE FUND

Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2014" and "2015" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2014, and June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015. All appropriations in this article are onetime.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**

**2014**                      **2015**

Sec. 2. **ARTS AND CULTURAL HERITAGE**

Subdivision 1. **Total Appropriation**                      **\$58,309,000**                      **\$57,659,000**

The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2014 appropriations are available until June 30, 2015, and fiscal year 2015 appropriations are available until June 30, 2016. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

**Subd. 3. Minnesota State Arts Board**26,675,00026,675,000

(a) These amounts are appropriated to the Minnesota State Arts Board for arts, arts education, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision shall ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established within this appropriation shall be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size. If, during the term of a fiscal year 2013 grant agreement between the Minnesota State Arts Board and an arts organization, a lockout occurs, and if the amount of the grant under the agreement exceeds the amount of eligible expenses according to the terms of the agreement, any unexpended funds must be returned to the board at the end of the grant agreement. If a 2013 fiscal year grantee uses grant funds during a lockout, then the commissioner of management and budget shall report on all such uses to the Office of the Legislative Auditor and shall recommend actions that may be taken by the Minnesota State Arts Board to offset such expenditures with reductions in future grants to the organization given by the Minnesota State Arts Board. Any arts and cultural heritage funds returned to the board must be redistributed pursuant to its formulas for distribution of grants to arts organizations. Any arts and cultural heritage funds returned to the Minnesota State Arts Board under this paragraph shall be considered a onetime appropriation and are available until June 30, 2014.

**(b) Arts and Arts Access Initiatives**

\$21,325,000 the first year and \$21,325,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

**(c) Arts Education**

\$3,760,000 the first year and \$3,760,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

**(d) Arts and Cultural Heritage**

\$1,590,000 the first year and \$1,590,000 the second year are for events and activities that represent the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Up to 4.5 percent of the funds appropriated in paragraphs (b) to (d) may be used by the board for administration of grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability.

(f) Thirty percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits shall be able to tour in their own region as well as all other regions of the state.

(g) Any unencumbered balance remaining under this section in the first year does not cancel, but is available for the second year of the biennium.

**Subd. 4. Department of Education**3,000,0003,000,000

These amounts are appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. These funds shall be allocated using the formula in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. These funds may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. These funds shall be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2015, as grants or contracts in this subdivision are available until June 30, 2017.

**Subd. 5. Minnesota Historical Society**13,800,00014,075,000

(a) These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society shall be used to supplement, and not substitute for, traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2017. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Conservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

**(b) Historical Grants and Programs****(1) Statewide Historic and Cultural Grants**

\$5,525,000 the first year and \$5,675,000 the second year are for history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grant process. The Minnesota Historical Society shall administer these funds using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

**(2) Programs**

\$5,525,000 the first year and \$5,675,000 the second year are for programs and purposes related to the historical and cultural heritage of the state of Minnesota, conducted by the Minnesota Historical Society.

**(3) History Partnerships**

\$2,000,000 the first year and \$2,000,000 the second year are for partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

\$300,000 the first year and \$300,000 the second year are for a contract or contracts to be awarded on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys must be published in a searchable form and available to the public on a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council shall each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys. The oversight board shall consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

\$300,000 the first year and \$300,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society shall cooperate with the Minitex interlibrary loan system and shall jointly share this appropriation for these purposes.

(6) Civil War Task Force

\$25,000 the first year is to the Civil War Task Force for activities that commemorate the sesquicentennial of the American Civil War and the Dakota Conflict, as recommended by the Civil War Commemoration Task Force established in Executive Order 11-15 (2011).

(c) Civics Programs

\$125,000 the first year and \$125,000 the second year are for grants to Kids Voting St. Paul, Learning Law and Democracy Foundation, and YMCA Youth in Government, to conduct civics education programs for the civic and cultural development of Minnesota youth. Civic education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

Subd. 6. Department of Administration9,605,0008,925,000

(a) These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. Up to one percent of funds may be used by the commissioner for grants administration.

(b) Grant agreements entered into by the commissioner and recipients of appropriations in this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

(c) **Minnesota Public Radio**

\$1,500,000 the first year and \$1,500,000 the second year are for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(d) **Association of Minnesota Public Educational Radio Stations**

\$1,650,000 the first year and \$1,650,000 the second year are appropriated for a grant to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19.

(e) **Lake Superior Center Authority**

\$200,000 the first year is for development of an exhibit to examine the effect that aquatic environments have on shipwrecks and to preserve Minnesota's history and cultural heritage. Priority should be given to projects that have a nonstate cash match of at least 25 percent of the total eligible project costs.

(f) **Lake Superior Zoo**

\$150,000 each year is for development of the forest discovery zone to create educational exhibits using animals and the environment. Priority should be given to projects that have a nonstate cash match of at least 25 percent of the total eligible project costs.

(g) **Como Park Zoo**

\$500,000 the first year and \$500,000 the second year are for the Como Park Zoo for program development. Priority should be given to projects that have a nonstate cash match of at least 25 percent of the total eligible project costs.

(h) **Science Museum of Minnesota**

\$1,100,000 the first year and \$1,100,000 the second year are for programs described in this paragraph. Grant recipients must provide a nonstate cash match of at least 25 percent of the total eligible project costs:

(1) \$500,000 the first year and \$500,000 the second year are for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage including student and teacher outreach and expansion of the museum's American Indian initiatives; and

(2) \$600,000 each year is for a grant to upgrade the Science Museum's Omnitheater audio and projection systems.

**(i) Public Television**

\$3,950,000 the first year and \$3,950,000 the second year are for grants to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18.

**(j) Small Theatre Grants**

\$75,000 each year is for grants to theatres in Minnesota to purchase and install digital projection technology to allow continued access to films. Priority for grants is to theaters that have exclusively 35 millimeter projection systems in communities with few available theaters or to small theaters with only one screen. Priority should be given to projects that have a nonstate cash match of at least 65 percent of the total eligible project costs.

**(k) Minnesota African American Museum and Cultural Center**

\$400,000 the first year is for a grant to the Minnesota African American Museum and Cultural Center for arts, arts education, and arts access, and to preserve Minnesota's history and cultural heritage.

**(l) Veterans Memorial Parks**

\$80,000 the first year is for at least four grants to local units of government for veterans memorials in municipal parks to preserve the culture and heritage of Minnesota. The local unit of government must provide a nonstate cash match equal to the amount of the grant received under this paragraph.

**Subd. 7. Minnesota Humanities Center**1,725,0001,525,000

(a) These amounts are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use a portion of the following grants to cover the cost of administering, planning, evaluating, and reporting these grants.

**(b) Programs and Purposes**

\$425,000 the first year and \$425,000 the second year are for programs and purposes of the Minnesota Humanities Center. Of this amount, \$100,000 each year may be used for the veterans' voices program.

The Minnesota Humanities Center may consider museums and organizations celebrating the identities of Minnesotans for grants from these funds. The Minnesota Humanities Center may develop a written plan for the competitive issuance of these grants and, if developed, shall submit that plan for review and approval by the Department of Administration.

**(c) Children's Museum Grants**

\$1,100,000 the first year and \$900,000 the second year are for arts and cultural heritage grants to children's museums.

Of this amount, \$600,000 the first year and \$400,000 the second year are for the Minnesota Children's Museum, \$200,000 each year is for the Duluth Children's Museum, \$100,000 each year is for the Grand Rapids Children's Museum, and \$200,000 each year is for the Southern Minnesota Children's Museum.

**(d) Council on Disability**

\$200,000 the first year and \$200,000 the second year are for a grant to the Minnesota State Council on Disability to provide educational opportunities in the arts, history, and cultural heritage of Minnesotans with disabilities in conjunction with the 25th anniversary of the Americans with Disabilities Act. If the amount in the first year is insufficient, the amount in the second year is available in the first year. These funds are available until June 30, 2016.

**Subd. 8. Perpich Center for Arts Education**795.000750.000

(a) These amounts are appropriated to the Board of Directors of the Perpich Center for Arts Education for the following programs. Money appropriated in this subdivision must not be used to purchase or lease a school facility previously operated by the East Metro Integration District No. 6067 or to continue any programs that were administered by the district.

(b) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2015, are available until June 30, 2017.

**(c) Administrative Costs**

\$20,000 the first year and \$20,000 the second year are for administrative costs.

**(d) Arts Integration**

\$775,000 the first year and \$730,000 the second year are for the arts integration program to increase the capacity of teachers to design, implement, and assess collaborative arts integration in Minnesota schools and the capacity of administrators to support this instructional strategy, to improve standards-based student learning through collaborative arts integration, and to develop arts-integrated courses to be implemented in the 2015-2016 school year.

**Subd. 9. Minnesota Zoo**1,750,0001,750,000

These amounts are appropriated to the Minnesota Zoological Board for programs and development of the Minnesota Zoological Garden and to provide access to the arts, arts education, and cultural heritage of Minnesota.

**Subd. 10. Indian Affairs Council**950,000950,000

(a) These amounts are appropriated to the Indian Affairs Council for the purposes identified in this subdivision.

**(b) Grants to Preserve Dakota and Ojibwe Language**

\$475,000 the first year and \$475,000 the second year are for grants for programs that preserve Dakota and Ojibwe Indian language and to foster educational programs in Dakota and Ojibwe languages.

**(c) Language Immersion**

\$250,000 the first year and \$250,000 the second year are for grants of \$125,000 each year to the Niigaane Ojibwe Immersion School and the Wicoie Nandagikendan urban immersion project.

**(d) Competitive Grants for Language Immersion**

\$225,000 the first year and \$225,000 the second year are for competitive grants for language immersion programs.

**Subd. 11. Legislature**9,0009,000

This amount is appropriated to the Legislative Coordinating Commission to operate the Web site for dedicated funds required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 3. Minnesota Statutes 2012, section 129D.17, is amended by adding a subdivision to read:

**Subd. 4. Minnesota State Arts Board allocation.** At least 47 percent of the money deposited in the arts and cultural heritage fund must be for grants and services awarded through the Minnesota State Arts Board, or regional arts councils subject to appropriation.

Sec. 4. Minnesota Statutes 2012, section 129D.19, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** This section applies only to the Association of Minnesota Public Educational Radio Stations and the noncommercial radio stations that are members of the Association of Minnesota Public Educational Radio Stations.

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

Sec. 5. Minnesota Statutes 2012, section 129D.19, subdivision 2, is amended to read:

Subd. 2. **Use of grant funds.** Money appropriated from the Minnesota arts and cultural heritage fund may be designated to make grants to the Association of Minnesota Public Educational Radio Stations and its member stations and noncommercial radio stations, as defined in section 129D.14, subdivision 2. Grants received under this section must be used to create, produce, acquire, or distribute programs that educate, enhance, or promote local, regional, or statewide items of artistic, cultural, or historic significance. Grant funds may be used to cover any expenses associated with the creation, production, acquisition, or distribution of noncommercial radio programs through broadcast.

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

Sec. 6. Laws 2001, chapter 193, section 10, is amended to read:

Sec. 10. **CAPITOL CAFETERIA; WINE AND BEER LICENSE.**

Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, paragraph (a), clause (2), the city of St. Paul may issue an on-sale wine and malt liquor license ~~for the premises known as the capitol cafeteria, for special events held at the capitol cafeteria.~~ to the Capitol cafeteria, also called the Rathskeller Café. The commissioner of administration must enter into an agreement with the food service vendor or another vendor on all matters related to the sale of wine and malt liquor in the Capitol. Minnesota Statutes, section 16B.275, does not apply to the sale of wine and malt liquor in the Capitol cafeteria and all profits earned by the Department of Administration from the sale of wine and malt liquor in the Capitol must be deposited in the arts and cultural heritage fund. The Capitol cafeteria must sell wine and malt liquor that are made in Minnesota.

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

## ARTICLE 5 GENERAL PROVISIONS; ALL LEGACY FUNDS

Section 1. **COMMISSIONER DETERMINATION; FUND AVAILABILITY.**

The commissioner of management and budget shall determine if sufficient funds are available in the four legacy funds to allow payment of all appropriations made by the legislature. If the commissioner determines that a shortfall in available revenues will limit the availability of appropriations of the legacy funds, the commissioner must withhold payment of each appropriation in an equal or equitable amount, as needed to balance available revenue with expenditures from each fund. The commissioner must report all reductions required under this section to the Legislative Advisory Commission in a timely fashion.

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

Sec. 2. **SOLAR PHOTOVOLTAIC MODULES.**

No solar photovoltaic module may be installed that is financed directly or indirectly, wholly or in part, with money appropriated in this act, unless the solar photovoltaic module is made in Minnesota as defined in Minnesota Statutes, section 216C.411, paragraph (a)."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; providing for watershed restoration and protection strategies; creating the Greater Minnesota Regional Parks and Trails Commission; extending previous

appropriations; providing for the allocation of arts and cultural heritage fund to the Minnesota State Arts Board; modifying certain grant eligibility; providing for sale of wine and malt liquor at Capitol cafeteria; requiring Minnesota-made solar photovoltaic modules; requiring report and study; amending Minnesota Statutes 2012, sections 10A.01, subdivision 35; 114D.15, by adding a subdivision; 114D.50, subdivision 6, by adding subdivisions; 116G.15, subdivisions 2, 3, 4, 7; 129D.17, by adding a subdivision; 129D.19, subdivisions 1, 2; Laws 2001, chapter 193, section 10; proposing coding for new law in Minnesota Statutes, chapters 85; 114D; 116; repealing Minnesota Statutes 2012, section 116.201."

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

House Conferees: PHYLLIS KAHN, LEON LILLIE, MIKE FREIBERG, DAVID BLY and ANNA WILLS.

Senate Conferees: RICHARD J. COHEN, TOM SAXHAUG, DAVID J. TOMASSONI and KATIE SIEBEN.

Kahn moved that the report of the Conference Committee on H. F. No. 1183 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Kahn motion and the roll was called. There were 75 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Huntley	Mariani	Norton	Simonson
Anzelc	Erickson, R.	Isaacson	Marquart	O'Driscoll	Slocum
Atkins	Falk	Johnson, C.	Masin	Paymar	Sundin
Benson, J.	Faust	Johnson, S.	McNamar	Pelowski	Theis
Bernardy	Fischer	Kahn	Melin	Persell	Wagenius
Bly	Freiberg	Laine	Metsa	Poppe	Ward, J.A.
Brynaert	Fritz	Lenczewski	Moran	Radinovich	Ward, J.E.
Carlson	Halverson	Lesch	Morgan	Rosenthal	Winkler
Clark	Hansen	Liebling	Mullery	Savick	Yarusso
Davnie	Hausman	Lien	Murphy, E.	Sawatzky	Spk. Thissen
Dehn, R.	Hilstrom	Lillie	Murphy, M.	Schoen	
Dill	Hornstein	Loeffler	Nelson	Selcer	
Dorholt	Hortman	Mahoney	Newton	Simon	

Those who voted in the negative were:

Abeler	Dauids	Gruenhagen	Kieffer	Newberger	Scott
Albright	Dean, M.	Gunther	Kiel	Nornes	Swedzinski
Anderson, M.	Dettmer	Hackbarth	Kresha	O'Neill	Torkelson
Anderson, P.	Drazkowski	Hamilton	Leidiger	Peppin	Uglen
Anderson, S.	Erickson, S.	Hertaus	Lohmer	Petersburg	Urdahl
Barrett	Fabian	Holberg	Loon	Pugh	Wills
Beard	FitzSimmons	Hoppe	Mack	Quam	Woodard
Benson, M.	Franson	Howe	McDonald	Runbeck	Zellers
Cornish	Garofalo	Johnson, B.	McNamara	Sanders	Zerwas
Daudt	Green	Kelly	Myhra	Schomacker	

The motion prevailed.

H. F. No. 1183, A bill for an act relating to state government; appropriating money from constitutionally dedicated legacy funds; modifying provisions of Lessard-Sams Outdoor Heritage Council; establishing certain land acquisition requirements; providing for agricultural water quality certification; modifying provisions for restoration evaluations; requiring use of certain standards for public water access sites; establishing Greater Minnesota Regional Parks and Trails Commission; modifying certain metropolitan area regional park provisions; extending previous appropriation; modifying Clean Water Legacy Act; prohibiting sale and use of coal tar sealant; modifying Mississippi River corridor critical area program; modifying certain grant eligibility; requiring issuance of city license; authorizing certain expenditures; requiring recapture of certain funds previously appropriated; providing for reimbursement of certain costs; requiring reports; amending Minnesota Statutes 2012, sections 3.9741, subdivision 3; 10A.01, subdivision 35; 85.53, subdivision 2; 97A.056, subdivisions 3, 10, 11, by adding subdivisions; 114D.15, by adding a subdivision; 114D.50, subdivisions 4, 6, by adding subdivisions; 116G.15, subdivisions 2, 3, 4, 7; 129D.17, subdivision 2; 129D.19, subdivisions 1, 2; Laws 2001, chapter 193, section 10; Laws 2010, chapter 361, article 3, section 7; proposing coding for new law in Minnesota Statutes, chapters 17; 85; 114D; 116; repealing Minnesota Statutes 2012, section 116.201.

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

The question was taken on the repassage of the bill and the roll was called. There were 77 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Huntley	Mariani	Norton	Simon
Anzelc	Erickson, R.	Isaacson	Marquart	O'Driscoll	Simonson
Atkins	Falk	Johnson, C.	Masin	Paymar	Slocum
Benson, J.	Faust	Johnson, S.	McNamar	Pelowski	Sundin
Bernardy	Fischer	Kahn	Melin	Persell	Theis
Bly	Freiberg	Laine	Metsa	Poppe	Wagenius
Brynaert	Fritz	Lenczewski	Moran	Radinovich	Ward, J.A.
Carlson	Halverson	Lesch	Morgan	Rosenthal	Ward, J.E.
Clark	Hansen	Liebling	Mullery	Runbeck	Wills
Davnie	Hausman	Lien	Murphy, E.	Savick	Winkler
Dehn, R.	Hilstrom	Lillie	Murphy, M.	Sawatzky	Yarusso
Dill	Hornstein	Loeffler	Nelson	Schoen	Spk. Thissen
Dorholt	Hortman	Mahoney	Newton	Selcer	

Those who voted in the negative were:

Abeler	Davids	Gruenhagen	Kieffer	Newberger	Swedzinski
Albright	Dean, M.	Gunther	Kiel	Nornes	Torkelson
Anderson, M.	Dettmer	Hackbarth	Kresha	O'Neill	Uglen
Anderson, P.	Drazkowski	Hamilton	Leidiger	Peppin	Urdahl
Anderson, S.	Erickson, S.	Hertaus	Lohmer	Petersburg	Woodard
Barrett	Fabian	Holberg	Loon	Pugh	Zellers
Beard	FitzSimmons	Hoppe	Mack	Quam	Zerwas
Benson, M.	Franson	Howe	McDonald	Sanders	
Cornish	Garofalo	Johnson, B.	McNamara	Schomacker	
Daudt	Green	Kelly	Myhra	Scott	

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

**MESSAGES FROM THE SENATE, Continued**

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 661.

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

JOANNE M. ZOFF, Secretary of the Senate

**CONFERENCE COMMITTEE REPORT ON S. F. NO. 661**

A bill for an act relating to campaign finance; providing for additional disclosure; making various changes to campaign finance and public disclosure law; expanding jurisdiction of Campaign Finance and Public Disclosure Board; expanding definition of public official; amending Minnesota Statutes 2012, sections 10A.01, subdivisions 10, 11, 16, 27, 28, 35, by adding subdivisions; 10A.02, subdivisions 9, 10, 11, 12, 15; 10A.025, subdivisions 2, 3, 4; 10A.04, subdivision 5; 10A.071, subdivision 3; 10A.105, subdivision 1; 10A.12, subdivisions 1, 1a, 2; 10A.121; 10A.14, subdivision 1, by adding a subdivision; 10A.15, subdivisions 1, 3; 10A.16; 10A.20, subdivisions 1, 2, 3, 4, 5, 6, 7, 12, by adding a subdivision; 10A.241; 10A.242, subdivision 1; 10A.25, subdivisions 2, 2a, 3, 3a; 10A.257, subdivision 1; 10A.27, subdivisions 1, 2, 9, 10, 11, 13, 14, 15; 10A.273, subdivisions 1, 4; 10A.30; 10A.31, subdivisions 1, 4, 7; 10A.315; 10A.321, subdivision 1; 10A.322, subdivision 4; 10A.323; 10A.324, subdivision 1; 211B.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2012, sections 10A.24; 10A.242; 10A.25, subdivision 6.

May 18, 2013

The Honorable Sandra L. Pappas  
President of the Senate

The Honorable Paul Thissen  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 661 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 661 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
POLICY CHANGES

Section 1. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision to read:

Subd. 7c. **Ballot question political committee.** "Ballot question political committee" means a political committee that makes only expenditures to promote or defeat a ballot question and disbursements permitted under section 10A.121, subdivision 1.

Sec. 2. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision to read:

Subd. 7d. **Ballot question political fund.** "Ballot question political fund" means a political fund that makes only expenditures to promote or defeat a ballot question and disbursements permitted under section 10A.121, subdivision 1.

Sec. 3. Minnesota Statutes 2012, section 10A.01, subdivision 10, is amended to read:

Subd. 10. **Candidate.** "Candidate" means an individual who seeks nomination or election as a state constitutional officer, legislator, or judge. An individual is deemed to seek nomination or election if the individual has taken the action necessary under the law of this state to qualify for nomination or election, has received contributions or made expenditures in excess of \$100, or has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100, for the purpose of bringing about the individual's nomination or election. A candidate remains a candidate until the candidate's principal campaign committee is dissolved as provided in section ~~10A.24~~ 10A.243.

Sec. 4. Minnesota Statutes 2012, section 10A.01, subdivision 11, is amended to read:

Subd. 11. **Contribution.** (a) "Contribution" means money, a negotiable instrument, or a donation in kind that is given to a political committee, political fund, principal campaign committee, or party unit. An allocation by an association of general treasury money to be used for activities that must be or are reported through the association's political fund is considered to be a contribution for the purposes of disclosure required by this chapter.

(b) "Contribution" includes a loan or advance of credit to a political committee, political fund, principal campaign committee, or party unit, if the loan or advance of credit is: (1) forgiven; or (2) repaid by an individual or an association other than the political committee, political fund, principal campaign committee, or party unit to which the loan or advance of credit was made. If an advance of credit or a loan is forgiven or repaid as provided in this paragraph, it is a contribution in the year in which the loan or advance of credit was made.

(c) "Contribution" does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; the publishing or broadcasting of news items or editorial comments by the news media; or an individual's unreimbursed personal use of an automobile owned by the individual while volunteering personal time.

Sec. 5. Minnesota Statutes 2012, section 10A.01, subdivision 16, is amended to read:

Subd. 16. **Election cycle.** "Election cycle" means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that "election cycle" for a special election means the period from the date the special election writ is issued to 60 days after the special election is held. For a regular election, the period from January 1 of the year prior to an election year through December 31 of the election year is the "election segment" of the election cycle. Each other two-year segment of an election cycle is a "non-election segment" of the election cycle. An election cycle that consists of two calendar years has only an election segment. The election segment of a special election cycle includes the entire special election cycle.

Sec. 6. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision to read:

Subd. 16a. **Expressly advocating.** "Expressly advocating" means that a communication clearly identifies a candidate and uses words or phrases of express advocacy.

Sec. 7. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision to read:

Subd. 17c. **General treasury money.** "General treasury money" means money that an association other than a principal campaign committee, party unit, or political committee accumulates through membership dues and fees, donations to the association for its general purposes, and income from the operation of a business. General treasury money does not include money collected to influence the nomination or election of candidates or to promote or defeat a ballot question.

Sec. 8. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision to read:

Subd. 26a. **Person.** "Person" means an individual, an association, a political subdivision, or a public higher education system.

Sec. 9. Minnesota Statutes 2012, section 10A.01, subdivision 27, is amended to read:

Subd. 27. **Political committee.** "Political committee" means an association whose major purpose is to influence the nomination or election of ~~a candidate~~ one or more candidates or to promote or defeat a ballot question, other than a principal campaign committee or a political party unit.

Sec. 10. Minnesota Statutes 2012, section 10A.01, subdivision 28, is amended to read:

Subd. 28. **Political fund.** "Political fund" means an accumulation of dues or voluntary contributions by an association other than a political committee, principal campaign committee, or party unit, if the accumulation is collected or expended to influence the nomination or election of ~~a candidate~~ one or more candidates or to promote or defeat a ballot question. The term "political fund" as used in this chapter may also refer to the association acting through its political fund.

Sec. 11. Minnesota Statutes 2012, section 10A.02, subdivision 9, is amended to read:

Subd. 9. **Documents; information.** The executive director must inspect all material filed with the board as promptly as necessary to comply with this chapter ~~and, with~~ other provisions of law requiring the filing of a document with the board, and with other provisions of law under the board's jurisdiction pursuant to subdivision 11. The executive director must immediately notify ~~the an~~ an individual required to file a document with the board if a written complaint is filed with the board alleging, or it otherwise appears, that a document filed with the board is inaccurate or does not comply with this chapter, or that the individual has failed to file a document required by this chapter or has failed to comply with this chapter or other provisions under the board's jurisdiction pursuant to subdivision 11. ~~The executive director may provide an individual required to file a document under this chapter with factual information concerning the limitations on corporate campaign contributions imposed by section 211B.15.~~

Sec. 12. Minnesota Statutes 2012, section 10A.02, subdivision 10, is amended to read:

Subd. 10. **Audits and investigations.** The board may make audits and investigations, impose statutory civil penalties, and issue orders for compliance with respect to ~~statements and reports that are filed or that should have been filed under~~ the requirements of this chapter and provisions under the board's jurisdiction pursuant to subdivision 11. In all matters relating to its official duties, the board has the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the board may apply to the District Court of Ramsey County for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.

Sec. 13. Minnesota Statutes 2012, section 10A.02, subdivision 11, is amended to read:

Subd. 11. **Violations; enforcement.** (a) The board may investigate any alleged violation of this chapter. The board may also investigate an alleged violation of section 211B.04, 211B.12, or 211B.15 by or related to a candidate, treasurer, principal campaign committee, political committee, political fund, or party unit, as those terms are defined in this chapter. The board must investigate any violation that is alleged in a written complaint filed with the board and must within 30 days after the filing of the complaint make a public finding of whether there is probable cause to believe a violation has occurred findings and conclusions as to whether a violation has occurred and must issue an order, except that if the complaint alleges a violation of section 10A.25 or 10A.27, the board must either enter a conciliation agreement or make a public finding of whether there is probable cause, findings and conclusions as to whether a violation has occurred and must issue an order within 60 days after the filing of the complaint. The deadline for action on a written complaint may be extended by majority vote of the board.

(b) The board may bring legal actions or negotiate settlements in its own name to recover money raised from contributions subject to the conditions in this paragraph.

(1) No action may be commenced unless the board has made a formal determination, after an investigation, that the money was raised for political purposes as defined in section 211B.01, subdivision 6, and that the money was used for purposes not permitted under this chapter or under section 211B.12.

(2) Prior to commencing an action, the board must give the association whose money was misused written notice by certified mail of its intent to take action under this subdivision and must give the association a reasonable opportunity, for a period of not less than 90 days, to recover the money without board intervention. This period must be extended for at least an additional 90 days for good cause if the association is actively pursuing recovery of the money. The board may not commence a legal action under this subdivision if the association has commenced a legal action for the recovery of the same money.

(3) Any funds recovered under this subdivision must be deposited in a campaign finance recovery account in the special revenue fund and are appropriated as follows:

(i) an amount equal to the board's actual costs and disbursements in the action, including court reporter fees for depositions taken in the course of an investigation, is appropriated to the board for its operations;

(ii) an amount equal to the reasonable value of legal services provided by the Office of the Attorney General in the recovery matter, calculated on the same basis as is used for charging legal fees to state agencies, is appropriated to the attorney general for the attorney general's operations; and

(iii) any remaining balance is appropriated to the board for distribution to the association to which the money was originally contributed.

(4) Notwithstanding clause (3), item (iii), if the candidate of a principal campaign committee is the person who used the association's money for illegal purposes, or if the association or political fund whose money was misused is no longer registered with the board, any money remaining after the payments specified in clause (3), items (i) and (ii), must be transferred to the general account of the state elections campaign account.

(5) Any action by the board under this paragraph must be commenced not later than four years after the improper use of money is shown on a report filed with the board or the board has actual knowledge of improper use. No action may be commenced under this paragraph for improper uses disclosed on reports for calendar years prior to 2011.

(6) If the board prevails in an action brought under this subdivision and the court makes a finding that the misuse of funds was willful, the court may enter judgment in favor of the board and against the person misusing the funds in the amount of the misused funds.

~~(b)~~ (c) Within a reasonable time after beginning an investigation of an individual or association, the board must notify the individual or association of the fact of the investigation. The board must not make a finding of whether there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations.

~~(e)~~ (d) A hearing or action of the board concerning a complaint or investigation other than a finding concerning probable cause or a conciliation agreement is confidential. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(1) a member, employee, or agent of the board must not disclose to an individual information obtained by that member, employee, or agent concerning a complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter; and

(2) an individual who discloses information contrary to this subdivision is subject to a civil penalty imposed by the board of up to \$1,000.

(e) A matter that is under the board's jurisdiction pursuant to this section and that may result in a criminal offense must be finally disposed of by the board before the alleged violation may be prosecuted by a city or county attorney.

Sec. 14. Minnesota Statutes 2012, section 10A.02, subdivision 12, is amended to read:

Subd. 12. **Advisory opinions.** (a) The board may issue and publish advisory opinions on the requirements of this chapter and of those sections listed in subdivision 11 based upon real or hypothetical situations. An application for an advisory opinion may be made only by ~~an individual or association~~ a person who is subject to chapter 10A and who wishes to use the opinion to guide the ~~individual's or the association's~~ person's own conduct. The board must issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the board agrees to extend the time limit.

(b) A written advisory opinion issued by the board is binding on the board in a subsequent board proceeding concerning the person making or covered by the request and is a defense in a judicial proceeding that involves the subject matter of the opinion and is brought against the person making or covered by the request unless:

(1) the board has amended or revoked the opinion before the initiation of the board or judicial proceeding, has notified the person making or covered by the request of its action, and has allowed at least 30 days for the person to do anything that might be necessary to comply with the amended or revoked opinion;

(2) the request has omitted or misstated material facts; or

(3) the person making or covered by the request has not acted in good faith in reliance on the opinion.

(c) A request for an opinion and the opinion itself are nonpublic data. The board, however, may publish an opinion or a summary of an opinion, but may not include in the publication the name of the requester, the name of a person covered by a request from an agency or political subdivision, or any other information that might identify the requester, unless the person consents to the inclusion.

Sec. 15. Minnesota Statutes 2012, section 10A.02, subdivision 15, is amended to read:

Subd. 15. **Disposition of fees.** The board must deposit all fees and civil penalties collected under this chapter into the general fund in the state treasury.

Sec. 16. Minnesota Statutes 2012, section 10A.025, subdivision 2, is amended to read:

Subd. 2. **Penalty for false statements.** (a) A report or statement required to be filed under this chapter must be signed and certified as true by the individual required to file the report. The signature may be an electronic signature consisting of a password assigned by the board.

~~(b) An individual who signs and certifies shall not sign and certify to be true a report or statement knowing it contains false information or who knowingly knowing it omits required information is guilty of a gross misdemeanor and subject to a civil penalty imposed by the board of up to \$3,000.~~

(c) An individual shall not knowingly provide false or incomplete information to a treasurer with the intent that the treasurer will rely on that information in signing and certifying to be true a report or statement.

(d) A person who violates paragraph (b) or (c) is subject to a civil penalty imposed by the board of up to \$3,000. A violation of paragraph (b) or (c) is a gross misdemeanor.

(e) The board may impose an additional civil penalty of up to \$3,000 on the principal campaign committee or candidate, party unit, political committee, or association that has a political fund that is affiliated with an individual who violated paragraph (b) or (c).

Sec. 17. Minnesota Statutes 2012, section 10A.025, subdivision 3, is amended to read:

Subd. 3. **Record keeping; penalty.** (a) A person required to file a report or statement or who has accepted record-keeping responsibility for the filer must maintain records on the matters required to be reported, including vouchers, canceled checks, bills, invoices, worksheets, and receipts, that will provide in sufficient detail the necessary information from which the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness. The person must keep the records available for audit, inspection, or examination by the board or its authorized representatives for four years from the date of filing of the reports or statements or of changes or corrections to them. ~~A person who knowingly violates this subdivision is guilty of a misdemeanor.~~

(b) The board may impose a civil penalty of up to \$3,000 on a person who knowingly violates this subdivision. The board may impose a separate civil penalty of up to \$3,000 on the principal campaign committee or candidate, party unit, political committee, or association that has a political fund that is affiliated with an individual who violated this subdivision.

(c) A knowing violation of this subdivision is a misdemeanor.

Sec. 18. Minnesota Statutes 2012, section 10A.071, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The prohibitions in this section do not apply if the gift is:

(1) a contribution as defined in section 10A.01, subdivision 11;

(2) services to assist an official in the performance of official duties, including but not limited to providing advice, consultation, information, and communication in connection with legislation, and services to constituents;

- (3) services of insignificant monetary value;
- (4) a plaque with a resale value of \$5 or less;
- (5) a trinket or memento costing \$5 or less;
- (6) informational material with a resale value of \$5 or less; or
- (7) food or a beverage given at a reception, meal, or meeting if:

(i) the reception, meal, or meeting is held away from the recipient's place of work by an organization before whom the recipient appears to make a speech or answer questions as part of a program; or

(ii) the recipient is a member or employee of the legislature and an invitation to attend the reception, meal, or meeting was provided to all members of the legislature at least five days prior to the date of the event.

(b) The prohibitions in this section do not apply if the gift is given:

(1) because of the recipient's membership in a group, a majority of whose members are not officials, and an equivalent gift is given to the other members of the group; or

(2) by a lobbyist or principal who is a member of the family of the recipient, unless the gift is given on behalf of someone who is not a member of that family.

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

Sec. 19. Minnesota Statutes 2012, section 10A.105, subdivision 1, is amended to read:

Subdivision 1. **Single committee.** A candidate must not accept contributions from a source, other than self, in aggregate in excess of ~~\$400~~ \$750 or accept a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit.

Sec. 20. Minnesota Statutes 2012, section 10A.12, subdivision 1, is amended to read:

Subdivision 1. **When required for contributions and approved expenditures.** An association other than a political committee or party unit may not contribute more than ~~\$400~~ \$750 in aggregate in any ~~one~~ calendar year to candidates, political committees, or party units or make ~~any approved or independent expenditure or expenditure to promote or defeat a ballot question~~ expenditures of more than \$750 in aggregate in any calendar year unless the contribution or expenditure is made ~~from~~ through a political fund.

Sec. 21. Minnesota Statutes 2012, section 10A.12, subdivision 1a, is amended to read:

Subd. 1a. **When required for independent expenditures or ballot questions.** An association other than a political committee that makes only independent expenditures ~~and disbursements permitted under section 10A.121, subdivision 1, or expenditures to promote or defeat a ballot question~~ must do so ~~by forming and registering through~~ by forming and registering through an independent expenditure or ballot question political fund if the ~~expenditure is in excess of \$100~~ independent expenditures aggregate more than \$1,500 in a calendar year or if the expenditures to promote or defeat a ballot question aggregate more than \$5,000 in a calendar year, or by contributing to an existing independent expenditure or ballot question political committee or ~~political~~ fund.

Sec. 22. Minnesota Statutes 2012, section 10A.12, subdivision 2, is amended to read:

Subd. 2. **Commingling prohibited.** The contents of ~~a~~ an association's political fund may not be commingled with other funds or with the personal funds of an officer or member of the association or the fund. It is not commingling for an association that uses only its own general treasury money to make expenditures and disbursements permitted under section 10A.121, subdivision 1, directly from the depository used for its general treasury money. An association that accepts more than \$1,500 in contributions to influence the nomination or election of candidates or more than \$5,000 in contributions to promote or defeat a ballot question must establish a separate depository for those contributions.

Sec. 23. Minnesota Statutes 2012, section 10A.121, is amended to read:

**10A.121 INDEPENDENT EXPENDITURE AND BALLOT QUESTION POLITICAL COMMITTEES AND INDEPENDENT EXPENDITURE POLITICAL FUNDS.**

Subdivision 1. **Permitted disbursements.** An independent expenditure political committee or ~~an independent expenditure political fund, or a ballot question political committee or fund, in addition to making independent expenditures,~~ may:

- (1) pay costs associated with its fund-raising and general operations;
- (2) pay for communications that do not constitute contributions or approved expenditures; ~~and~~
- (3) make contributions to ~~other~~ independent expenditure or ballot question political committees or ~~independent expenditure political funds;~~
- (4) make independent expenditures;
- (5) make expenditures to promote or defeat ballot questions;
- (6) return a contribution to its source;
- (7) for a political fund, record bookkeeping entries transferring the association's general treasury money allocated for political purposes back to the general treasury of the association; and
- (8) for a political fund, return general treasury money transferred to a separate depository to the general depository of the association.

Subd. 2. **Penalty.** (a) An independent expenditure political committee or independent expenditure political fund is subject to a civil penalty of up to four times the amount of the contribution or approved expenditure if it does the following:

- (1) makes a contribution to a candidate, party unit, political committee, or political fund other than an independent expenditure political committee or an independent expenditure political fund; or
  - (2) makes an approved expenditure.
- (b) No other penalty provided in law may be imposed for conduct that is subject to a civil penalty under this section.

Sec. 24. Minnesota Statutes 2012, section 10A.14, subdivision 1, is amended to read:

Subdivision 1. **First registration.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must register with the board by filing a registration statement of organization no later than 14 days after the committee, fund, or party unit has made a contribution, received contributions, or made expenditures in excess of ~~\$100~~ \$750, or by the end of the next business day after it has received a loan or contribution that must be reported under section 10A.20, subdivision 5, whichever is earlier. This subdivision does not apply to ballot question or independent expenditure political committees or funds, which are subject to subdivision 1a.

Sec. 25. Minnesota Statutes 2012, section 10A.14, is amended by adding a subdivision to read:

Subd. 1a. **Independent expenditure or ballot question political committees and funds; first registration; reporting.** The treasurer of an independent expenditure or ballot question political committee or fund must register with the board by filing a registration statement:

(1) no later than 14 calendar days after the committee or the association registering the political fund has:

(i) received aggregate contributions for independent expenditures of more than \$1,500 in a calendar year;

(ii) received aggregate contributions for expenditures to promote or defeat a ballot question of more than \$5,000 in a calendar year;

(iii) made aggregate independent expenditures of more than \$1,500 in a calendar year; or

(iv) made aggregate expenditures to promote or defeat a ballot question of more than \$5,000 in a calendar year; or

(2) by the end of the next business day after it has received a loan or contribution that must be reported under section 10A.20, subdivision 5, and it has met one of the requirements of clause (1).

Sec. 26. Minnesota Statutes 2012, section 10A.15, subdivision 1, is amended to read:

Subdivision 1. **Anonymous contributions.** A political committee, political fund, principal campaign committee, or party unit may not retain an anonymous contribution in excess of \$20, but must forward it to the board for deposit in the general account of the state elections campaign ~~fund~~ account.

Sec. 27. Minnesota Statutes 2012, section 10A.15, subdivision 3, is amended to read:

Subd. 3. **Deposit.** All contributions received by or on behalf of a candidate, principal campaign committee, political committee, political fund, or party unit must be deposited in an account designated "Campaign Fund of .... (name of candidate, committee, fund, or party unit)." All contributions must be deposited promptly upon receipt and, except for contributions received during the last three days of a reporting period as described in section 10A.20, must be deposited during the reporting period in which they were received. A contribution received during the last three days of a reporting period must be deposited within 72 hours after receipt and must be reported as received during the reporting period whether or not deposited within that period. A candidate, principal campaign committee, political committee, political fund, or party unit may refuse to accept a contribution. A deposited contribution may be returned to the contributor within ~~60~~ 90 days after deposit. A contribution deposited and not returned within ~~60~~ 90 days after that deposit must be reported as accepted.

Sec. 28. Minnesota Statutes 2012, section 10A.20, subdivision 1, is amended to read:

Subdivision 1. **First filing; duration.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must begin to file the reports required by this section ~~in~~ for the first year it receives contributions or makes expenditures ~~in excess of \$100 that require it to register under section 10A.14~~ and must continue to file until the committee, fund, or party unit is terminated. The reports must be filed electronically in a standards-based open format specified by the board. For good cause shown, the board must grant exemptions to the requirement that reports be filed electronically.

Sec. 29. Minnesota Statutes 2012, section 10A.20, subdivision 2, is amended to read:

Subd. 2. **Time for filing.** (a) The reports must be filed with the board on or before January 31 of each year and additional reports must be filed as required and in accordance with paragraphs (b) to (d).

(b) In each year in which the name of ~~the~~ a candidate for legislative or district court judicial office is on the ballot, the report of the principal campaign committee must be filed 15 days before a primary and ten days before a general election, seven days before a special primary and a special election, and ten days after a special election cycle.

(c) In each general election year, a political committee ~~or~~ a political fund ~~must file reports 28 and 15 days before a primary and 42 and ten days before a general election. Beginning in 2012, reports required under this paragraph must also be filed 56 days before a primary.~~ a state party committee, a party unit established by all or a part of the party organization within a house of the legislature, and the principal campaign committee of a candidate for constitutional or appellate court judicial office must file reports on the following schedule:

(1) a first-quarter report covering the calendar year through March 31, which is due April 14;

(2) in a year in which a primary election is held in August, a report covering the calendar year through May 31, which is due June 14;

(3) in a year in which a primary election is held before August, a pre-general-election report covering the calendar year through July 15, which is due July 29;

(4) a pre-primary-election report due 15 days before a primary election;

(5) a pre-general-election report due 42 days before the general election;

(6) a pre-general-election report due ten days before a general election; and

(7) for a special election, a constitutional office candidate whose name is on the ballot must file reports seven days before a special primary and a special election, and ten days after a special election cycle.

(d) In each general election year, a party unit not included in paragraph (c) must file reports 15 days before a primary election and ten days before a general election.

(e) Notwithstanding paragraphs (a) to (d), the principal campaign committee of a candidate whose name will not be on the general election ballot is not required to file the report due ten days before a general election or seven days before a special election.

Sec. 30. Minnesota Statutes 2012, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **Contents of report.** (a) The report required by this section must include each of the items listed in paragraphs (b) to (o) that are applicable to the filer. The board shall prescribe forms based on filer type indicating which of those items must be included on the filer's report.

~~(a)~~ (b) The report must disclose the amount of liquid assets on hand at the beginning of the reporting period.

~~(b)~~ (c) The report must disclose the name, address, and employer, or occupation if self-employed, of each individual or association that has made one or more contributions to the reporting entity, including the purchase of tickets for a fund-raising effort, that in aggregate within the year exceed ~~\$100~~ \$200 for legislative or statewide candidates or more than \$500 for ballot questions, together with the amount and date of each contribution, and the aggregate amount of contributions within the year from each source so disclosed. A donation in kind must be disclosed at its fair market value. An approved expenditure must be listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors must be listed in alphabetical order. Contributions from the same contributor must be listed under the same name. When a contribution received from a contributor in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of this paragraph, the name, address, and employer, or occupation if self-employed, of the contributor must then be listed on the report.

~~(c)~~ (d) The report must disclose the sum of contributions to the reporting entity during the reporting period.

~~(d)~~ (e) The report must disclose each loan made or received by the reporting entity within the year in aggregate in excess of ~~\$100~~ \$200, continuously reported until repaid or forgiven, together with the name, address, occupation, and principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If a loan made to the principal campaign committee of a candidate is forgiven or is repaid by an entity other than that principal campaign committee, it must be reported as a contribution for the year in which the loan was made.

~~(e)~~ (f) The report must disclose each receipt over ~~\$100~~ \$200 during the reporting period not otherwise listed under paragraphs ~~(b)~~ (c) to ~~(d)~~ (e).

~~(f)~~ (g) The report must disclose the sum of all receipts of the reporting entity during the reporting period.

~~(g)~~ (h) The report must disclose the name and address of each individual or association to whom aggregate expenditures, ~~including~~ approved expenditures, independent expenditures and ballot question expenditures have been made by or on behalf of the reporting entity within the year in excess of ~~\$100~~ \$200, together with the amount, date, and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat and an indication of whether the expenditure was to promote or to defeat the ballot question, and in the case of independent expenditures made in opposition to a candidate, the candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate for state or legislative office must allocate the expenditure among the candidates on a reasonable cost basis and report the allocation for each candidate.

~~(h)~~ (i) The report must disclose the sum of all expenditures made by or on behalf of the reporting entity during the reporting period.

~~(i)~~ (j) The report must disclose the amount and nature of an advance of credit incurred by the reporting entity, continuously reported until paid or forgiven. If an advance of credit incurred by the principal campaign committee of a candidate is forgiven by the creditor or paid by an entity other than that principal campaign committee, it must be reported as a donation in kind for the year in which the advance of credit was made.

(+) (k) The report must disclose the name and address of each political committee, political fund, principal campaign committee, or party unit to which contributions have been made that aggregate in excess of ~~\$100~~ \$200 within the year and the amount and date of each contribution.

(+) (l) The report must disclose the sum of all contributions made by the reporting entity during the reporting period.

(+) (m) The report must disclose the name and address of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of ~~\$100~~ \$200 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement.

(+) (n) The report must disclose the sum of all noncampaign disbursements made within the year by or on behalf of the reporting entity.

(+) (o) The report must disclose the name and address of a nonprofit corporation that provides administrative assistance to a political committee or political fund as authorized by section 211B.15, subdivision 17, the type of administrative assistance provided, and the aggregate fair market value of each type of assistance provided to the political committee or political fund during the reporting period.

Sec. 31. Minnesota Statutes 2012, section 10A.20, subdivision 5, is amended to read:

Subd. 5. **Pre-election Pre-election reports.** (a) Any loan, contribution, or contributions;

(1) to a political committee or political fund from any one source totaling more than \$1,000 ~~or more, or in a statewide election for;~~

(2) to the principal campaign committee of a candidate for an appellate court judicial office, ~~any loan, contribution, or contributions from any one source~~ totaling more than \$2,000 ~~or more, or in any judicial;~~

(3) to the principal campaign committee of a candidate for district court judge totaling more than \$400 ~~or more, and any loan, contribution, or contributions;~~ or

(4) to the principal campaign committee of a candidate for constitutional office or for the legislature ~~from any one source~~ totaling ~~80~~ more than 50 percent ~~or more~~ of the election cycle contribution limit for the office, received between the last day covered in the last report before an election and the election must be reported to the board ~~in one of the following ways:~~ in the manner provided in paragraph (b).

(b) A loan, contribution, or contributions required to be reported to the board under paragraph (a) must be reported to the board either:

(1) in person by the end of the next business day after its receipt; or

(2) by electronic means sent within 24 hours after its receipt.

(c) These loans and contributions must also be reported in the next required report.

(d) This notice requirement does not apply ~~with respect to~~ in a primary ~~in which the statewide or legislative election to a candidate who is unopposed in the primary, in a primary election to a ballot question political committee or fund, or in a general election to a candidate whose name is not on the general election ballot.~~ The board must post the report on its Web site by the end of the next business day after it is received.

(e) This subdivision does not apply to a ballot question or independent expenditure political committee or fund that has not met the registration threshold of section 10A.14, subdivision 1a. However, if a contribution that would be subject to this section triggers the registration requirement in section 10A.14, subdivision 1a, then both registration under that section and reporting under this section are required.

Sec. 32. Minnesota Statutes 2012, section 10A.20, subdivision 6, is amended to read:

Subd. 6. **Report when no committee.** (a) A candidate who does not designate and cause to be formed a principal campaign committee and ~~an individual~~ who makes ~~independent expenditures or campaign~~ expenditures expressly advocating the approval or defeat of a ballot question in aggregate in excess of ~~\$100~~ \$750 in a year must file with the board a report containing the information required by subdivision 3. Reports required by this subdivision must be filed ~~on~~ by the dates on which reports by principal campaign committees, funds, and party units are must be filed.

(b) An individual who makes independent expenditures that aggregate more than \$1,500 in a calendar year or expenditures to promote or defeat a ballot question that aggregate more than \$5,000 in a calendar year must file with the board a report containing the information required by subdivision 3. A report required by this subdivision must be filed by the date on which the next report by political committees and political funds must be filed.

Sec. 33. Minnesota Statutes 2012, section 10A.20, subdivision 7, is amended to read:

Subd. 7. **Statement of inactivity.** If a ~~reporting entity~~ principal campaign committee, party unit, or political committee, has no receipts or expenditures during a reporting period, the treasurer must file with the board at the time required by this section a statement to that effect.

Sec. 34. Minnesota Statutes 2012, section 10A.20, is amended by adding a subdivision to read:

Subd. 7a. **Activity of political fund.** An association is not required to file any statement or report for a reporting period when the association accepted no contributions into the association's political fund and made no expenditures from its political fund since the last date included in its most recent filed report. If the association maintains a separate checking account for its political fund, the receipt of interest on the proceeds of that account and the payment of fees to maintain that account do not constitute activity that requires the filing of a report for an otherwise inactive political fund.

Sec. 35. Minnesota Statutes 2012, section 10A.241, is amended to read:

#### **10A.241 TRANSFER OF DEBTS.**

~~Notwithstanding section 10A.24,~~ A candidate may terminate the candidate's principal campaign committee for one state office by transferring any debts of that committee to the candidate's principal campaign committee for another state office if all outstanding unpaid bills or loans from the committee being terminated are assumed and continuously reported by the committee to which the transfer is being made until paid or forgiven. A loan that is forgiven is covered by section 10A.20 and, ~~for purposes of section 10A.324,~~ is a contribution to the principal campaign committee from which the debt was transferred under this section.

Sec. 36. **[10A.243] TERMINATION OF REGISTRATION.**

Subdivision 1. **Termination report.** A political committee, political fund, principal campaign committee, or party unit may terminate its registration with the board after it has disposed of all its assets in excess of \$100 by filing a final report of receipts and expenditures. The final report must be identified as a termination report and must include all financial transactions that occurred after the last date included on the most recent report filed with the board. The termination report may be filed at any time after the asset threshold in this section is reached.

Subd. 2. **Asset disposition.** "Assets" include credit balances at vendors, prepaid postage and postage stamps, as well as physical assets. Assets must be disposed of at their fair market value. Assets of a political fund that consist of, or were acquired using, only the general treasury money of the fund's supporting association remain the property of the association upon termination of the association's political fund registration and are not subject to the disposal requirements of this section.

Sec. 37. **[10A.244] VOLUNTARY INACTIVE STATUS; POLITICAL FUNDS.**

Subdivision 1. **Election of voluntary inactive status.** An association that has a political fund registered under this chapter may elect to have the fund placed on voluntary inactive status if the following conditions are met:

(1) the association makes a written request for inactive status;

(2) the association has filed all periodic reports required by this chapter and has received no contributions into its political fund and made no expenditures or disbursements through its political fund since the last date included on the association's most recent report; and

(3) the association has satisfied all obligations to the state for late filing fees and civil penalties imposed by the board or the board has waived this requirement.

Subd. 2. **Effect of voluntary inactive status.** After an association has complied with the requirements of subdivision 1:

(1) the board must notify the association that its political fund has been placed in voluntary inactive status and of the terms of this section;

(2) the board must stop sending the association reports, forms, and notices of report due dates that are periodically sent to entities registered with the board;

(3) the association is not required to file periodic disclosure reports for its political fund as otherwise required under this chapter;

(4) the association may not accept contributions into its political fund and may not make expenditures, contributions, or disbursements through its political fund; and

(5) if the association maintains a separate depository account for its political fund, it may continue to pay bank service charges and receive interest paid on that account while its political fund is in inactive status.

Subd. 3. **Resumption of active status or termination.** (a) An association that has placed its political fund in voluntary inactive status may resume active status upon written notice to the board.

(b) A political fund placed in voluntary inactive status must resume active status within 14 days of the date that it has accepted contributions or made expenditures, contributions, or disbursements that aggregate more than \$750 since the political fund was placed on inactive status. If, after meeting this threshold, the association does not notify the board that its fund has resumed active status, the board may place the association's political fund in active status and notify the association of the change in status.

(c) An association that has placed its political fund in voluntary inactive status may terminate the registration of the fund without returning it to active status.

Subd. 4. **Penalty for financial activity while in voluntary inactive status.** If an association fails to notify the board of its political fund's resumption of active status under subdivision 3, the board may impose a civil penalty of \$50 per day, not to exceed \$1,000 commencing on the 15th calendar day after the fund resumed active status.

Sec. 38. **[10A.245] ADMINISTRATIVE TERMINATION OF INACTIVE COMMITTEES AND FUNDS.**

Subdivision 1. **Inactivity defined.** (a) A principal campaign committee becomes inactive on the later of the following dates:

(1) six years after the last election in which the individual for whom the committee exists was a candidate for the office sought or held at the time the principal campaign committee registered with the board; or

(2) six years after the last day on which the individual for whom the committee exists served in an elective office subject to this chapter.

(b) A political committee, political fund, or party unit becomes inactive when four years have elapsed since the end of a reporting period during which the political committee, political fund, or party unit made an expenditure or disbursement requiring itemized disclosure under this chapter.

(c) A political fund that has elected voluntary inactive status under section 10A.244 becomes inactive within the meaning of this section when four years have elapsed during which the political fund was continuously in voluntary inactive status.

Subd. 2. **Termination by board.** The board may terminate the registration of a principal campaign committee, party unit, political committee, or political fund found to be inactive under this section 60 days after sending written notice of inactivity by certified mail to the affected association at the last address on record with the board for that association. Within 60 days after the board sends notice under this section, the affected association must dispose of its assets as provided in this subdivision. The assets of the principal campaign committee, party unit, or political committee must be used for the purposes authorized by this chapter or section 211B.12 or must be liquidated and deposited in the general account of the state elections campaign account. The assets of an association's political fund that were derived from the association's general treasury money revert to the association's general treasury. Assets of a political fund that resulted from contributions to the political fund must be used for the purposes authorized by this chapter or section 211B.12 or must be liquidated and deposited in the general account of the state elections campaign account.

Sec. 39. **[10A.246] UNPAID DEBT UPON TERMINATION.**

Termination of a registration with the board does not affect the liability, if any, of the association or its candidates, officers, or other individuals for obligations incurred in the name of the association or its political fund.

Sec. 40. Minnesota Statutes 2012, section 10A.25, subdivision 2, is amended to read:

Subd. 2. **Amounts.** (a) In a year in which an election is held for an office sought by a candidate segment of an election cycle, the principal campaign committee of the candidate must not make campaign expenditures nor permit approved expenditures to be made on behalf of the candidate that result in aggregate expenditures in excess of the following:

(1) for governor and lieutenant governor, running together, ~~\$2,577,200~~ \$3,500,000 in the election segment and \$1,500,000 in the nonelection segment;

(2) for attorney general, ~~\$429,600~~ \$600,000 in the election segment and \$200,000 in the nonelection segment;

(3) for secretary of state and state auditor, separately, ~~\$214,800~~ \$400,000 in the election segment and \$100,000 in the nonelection segment;

(4) for state senator, ~~\$68,100~~ \$90,000 in the election segment and \$30,000 in a non-election segment;

(5) for state representative, ~~\$34,300~~ \$60,000 in the election segment.

(b) In addition to the amount in paragraph (a), clause (1), a candidate for endorsement for the office of lieutenant governor at the convention of a political party may make campaign expenditures and approved expenditures of five percent of that amount to seek endorsement.

(c) If a special election cycle occurs during a general election cycle, expenditures by or on behalf of a candidate in the special election do not count as expenditures by or on behalf of the candidate in the general election.

(d) The expenditure limits in this subdivision for an office are increased by ten percent for a candidate who ~~is running for that~~ has not previously held the same office for the first time, whose name has not previously been on the primary or general election ballot for that office, and who has not in the past ten years raised or spent more than \$750 in a run previously for any other office whose territory now includes a population that is more than one-third of the population in the territory of the new office. In the case of a legislative candidate, the office is that of a member of the house of representatives or senate without regard to any specific district.

Sec. 41. Minnesota Statutes 2012, section 10A.25, subdivision 2a, is amended to read:

Subd. 2a. **Aggregated expenditures.** If a candidate makes expenditures from more than one principal campaign committee for nomination or election to statewide office in the same segment of an election year cycle, the amount of expenditures from all of the candidate's principal campaign committees for statewide office for that segment of the election year cycle must be aggregated for purposes of applying the limits on expenditures under subdivision 2.

Sec. 42. Minnesota Statutes 2012, section 10A.25, subdivision 3, is amended to read:

Subd. 3. **Governor and lieutenant governor a single candidate.** For the purposes of ~~sections 10A.11 to 10A.34~~ this chapter, a candidate for governor and a candidate for lieutenant governor, running together, are considered a single candidate. Except as provided in subdivision 2, paragraph (b), all expenditures made by or all approved expenditures made on behalf of the candidate for lieutenant governor are considered to be expenditures by or approved expenditures on behalf of the candidate for governor.

Sec. 43. Minnesota Statutes 2012, section 10A.257, subdivision 1, is amended to read:

Subdivision 1. **Unused funds.** After all campaign expenditures and noncampaign disbursements for an election cycle have been made, an amount up to ~~50~~ 25 percent of the election ~~year~~ cycle expenditure limit for the office may be carried forward. Any remaining amount up to the total amount of the public subsidy from the state elections campaign fund must be returned to the state treasury for credit to the general fund under section 10A.324. Any remaining amount in excess of the total public subsidy must be contributed to the state elections campaign ~~fund~~ account or a political party for multicandidate expenditures as defined in section 10A.275.

Sec. 44. Minnesota Statutes 2012, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. **Contribution limits.** (a) Except as provided in subdivision 2, a candidate must not permit the candidate's principal campaign committee to accept aggregate contributions made or delivered by any individual, political committee, ~~or~~ political fund, or association not registered with the board in excess of the following:

(1) to candidates for governor and lieutenant governor running together, ~~\$2,000~~ \$4,000 in the election segment of an election ~~year~~ cycle for the office sought and ~~\$500~~ \$2,000 in ~~other years~~ the nonelection segment of the election cycle;

(2) to a candidate for attorney general, ~~secretary of state, or state auditor,~~ ~~\$1,000~~ \$2,500 in the election segment of an election ~~year~~ cycle for the office sought and ~~\$200~~ \$1,500 in ~~other years~~ the nonelection segment of the election cycle;

(3) to a candidate for secretary of state or state auditor, \$2,000 in the election segment of an election cycle and \$1,000 in the nonelection segment of the election cycle;

~~(3)~~ (4) to a candidate for state senator, ~~\$500~~ \$1,000 in the election segment of an election ~~year~~ cycle for the office sought and ~~\$100~~ \$1,000 in ~~other years~~ a nonelection segment of the election cycle;

(4) (5) to a candidate for state representative, ~~\$500~~ \$1,000 in the election segment of an election ~~year~~ cycle for the office sought and ~~\$100~~ in the other year; and

~~(5)~~ (6) to a candidate for judicial office, ~~\$2,000~~ \$2,500 in the election segment of an election ~~year~~ cycle for the office sought and ~~\$500~~ \$1,000 in ~~other years~~ a nonelection segment of the election cycle.

(b) The following deliveries are not subject to the bundling limitation in this subdivision:

(1) delivery of contributions collected by a member of the candidate's principal campaign committee, such as a block worker or a volunteer who hosts a fund-raising event, to the committee's treasurer; and

(2) a delivery made by an individual on behalf of the individual's spouse.

(c) A lobbyist, political committee, political party unit, ~~or an association that has a political fund, or an association not registered with the board~~ must not make a contribution a candidate is prohibited from accepting.

Sec. 45. Minnesota Statutes 2012, section 10A.27, subdivision 10, is amended to read:

Subd. 10. **Limited personal contributions.** A candidate who ~~accepts a public subsidy~~ signs an agreement under section 10A.322 may not contribute to the candidate's own campaign during a ~~year~~ segment of an election cycle more than ~~ten~~ five times the candidate's ~~election year~~ contribution limit for that segment under subdivision 1.

Sec. 46. Minnesota Statutes 2012, section 10A.27, subdivision 11, is amended to read:

Subd. 11. **Contributions from certain types of contributors.** A candidate must not permit the candidate's principal campaign committee to accept a contribution from a political committee, political fund, lobbyist, ~~or~~ large contributor, or association not registered with the board if the contribution will cause the aggregate contributions from those types of contributors during an election cycle segment to exceed an amount equal to 20 percent of the election cycle segment expenditure limits for the office sought by the candidate, provided that the 20 percent limit must be rounded to the nearest \$100. For purposes of this subdivision, "large contributor" means an individual, other than the candidate, who contributes an amount that is ~~more than \$100 and~~ more than one-half the amount an individual may contribute during the election cycle segment.

Sec. 47. Minnesota Statutes 2012, section 10A.27, subdivision 13, is amended to read:

Subd. 13. **Unregistered association limit; statement; penalty.** (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than ~~\$100~~ \$200 from an association not registered under this chapter unless the contribution is accompanied by a written statement that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement must be

certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the board. ~~This subdivision does not apply when a national political party contributes money to its affiliate in this state.~~

(b) An unregistered association may provide the written statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

(1) fails to provide a written statement as required by this subdivision; or

(2) fails to register after giving the written statement required by this subdivision to more than three committees, funds, or party units in a calendar year.

(c) The treasurer of a political committee, political fund, principal campaign committee, or party unit who accepts a contribution in excess of ~~\$400~~ \$200 from an unregistered association without the required written disclosure statement is subject to a civil penalty up to four times the amount in excess of ~~\$400~~ \$200.

(d) This subdivision does not apply:

(1) when a national political party contributes money to its state committee; or

(2) to purchases by candidates for federal office of tickets to events or space rental at events held by party units in this state (i) if the geographical area represented by the party unit includes any part of the geographical area of the office that the federal candidate is seeking and (ii) the purchase price is not more than that paid by other attendees or renters of similar spaces.

Sec. 48. Minnesota Statutes 2012, section 10A.27, subdivision 14, is amended to read:

Subd. 14. **Contributions of business revenue.** An association may, if not prohibited by other law, contribute revenue from the operation of a business to an independent expenditure or ballot question political committee or ~~an independent expenditure political~~ fund without complying with subdivision 13.

Sec. 49. Minnesota Statutes 2012, section 10A.27, subdivision 15, is amended to read:

Subd. 15. **~~Contributions of dues or contribution revenue or use of general treasury money.~~** (a) An association may, if not prohibited by other law, contribute ~~revenue from membership dues or fees, or from contributions received by the association~~ its general treasury money to an independent expenditure or ballot question political committee or ~~an independent expenditure political~~ fund, including its own independent expenditure or ballot question political committee or fund, without complying with subdivision 13.

(b) Before the day when the recipient committee or fund's next report must be filed with the board under section 10A.20, subdivision 2 or 5, an association that has contributed more than \$5,000 or more in aggregate to independent expenditure political committees or funds during the calendar year or has contributed more than \$5,000 in aggregate to ballot question political committees or funds during the calendar year must provide in writing to the recipient's treasurer a statement that includes the name, address, and amount attributable to each ~~individual or association~~ person that paid the association dues or fees, or made ~~contributions~~ donations to the association that, in total, aggregate more than \$1,000 or more \$5,000 of the contribution from the association to the independent expenditure or ballot question political committee or fund. The statement must also include the total amount of the contribution ~~from individuals or associations~~ attributable to persons not subject to itemization under this section. The statement must be certified as true ~~and correct~~ by an officer of the donor association.

~~(b)~~ (c) To determine the amount of membership dues or fees, or contributions donations made by an individual or association that exceed \$1,000 of the contribution made by the donor association a person to an association and attributable to the association's contribution to the independent expenditure or ballot question political committee or fund, the donor association must:

(1) apply a pro rata calculation to all unrestricted dues, fees, and contributions received by the donor association in the calendar year; or

(2) as provided in paragraph ~~(e)~~ (d), identify the specific individuals or associations whose dues, fees, or contributions are included in the contribution to the independent expenditure political committee or fund.

~~(e)~~ (d) Dues, fees, or contributions from an individual or association must be identified in a contribution to an independent expenditure political committee or fund under paragraph ~~(b)~~ (c), clause (2), if:

(1) the individual or association has specifically authorized the donor association to use the individual's or association's dues, fees, or contributions for this purpose; or

(2) the individual's or association's dues, fees, or contributions to the donor association are unrestricted and the donor association designates them as the source of the subject contribution to the independent expenditure political committee or fund.

~~(e)~~ After a portion of ~~an individual's or association's dues, fees, or contributions to the donor association have the~~ general treasury money received by an association from a person has been designated as the source of a contribution to an independent expenditure or ballot question political committee or fund, that portion of the ~~individual's or association's dues, fees, or contributions to the donor association~~ association's general treasury money received from that person may not be designated as the source of any other contribution to an independent expenditure or ballot question political committee or fund.

~~(d)~~ For the purposes of this section, "donor association" means the association contributing to an independent expenditure political committee or fund that is required to provide a statement under paragraph (a).

Sec. 50. Minnesota Statutes 2012, section 10A.323, is amended to read:

#### **10A.323 AFFIDAVIT OF CONTRIBUTIONS.**

(a) In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy under section 10A.31 a candidate or the candidate's treasurer must ~~file an affidavit with the board stating that:~~

(1) between January 1 of the previous year and the cutoff date for transactions included in the report of receipts and expenditures due before the primary election ~~the candidate has accumulated,~~ accumulate contributions from ~~persons~~ individuals eligible to vote in this state in at least the amount indicated for the office sought, counting only the first \$50 received from each contributor, excluding in-kind contributions;

~~(1)~~ (i) candidates for governor and lieutenant governor running together, \$35,000;

~~(2)~~ (ii) candidates for attorney general, \$15,000;

~~(3)~~ (iii) candidates for secretary of state and state auditor, separately, \$6,000;

~~(4)~~ (iv) candidates for the senate, \$3,000; and

~~(5)~~ (v) candidates for the house of representatives, \$1,500;

(2) the candidate or the candidate's treasurer must file an affidavit with the board stating that the principal campaign committee has complied with this paragraph. The affidavit must state the total amount of contributions that have been received from ~~persons~~ individuals eligible to vote in this state, ~~disregarding~~ excluding:

(i) the portion of any contribution in excess of \$50;

(ii) any in-kind contribution; and

(iii) any contribution for which the name and address of the contributor is not known and recorded; and

(3) the candidate or the candidate's treasurer must submit the affidavit required by this section to the board in writing by the deadline for reporting of receipts and expenditures before a primary under section 10A.20, subdivision 4.

(b) A candidate for a vacancy to be filled at a special election for which the filing period does not coincide with the filing period for the general election must accumulate the contributions specified in paragraph (a) and must submit the affidavit required by this section to the board within five days after the close of the filing period for the special election for which the candidate filed.

Sec. 51. Minnesota Statutes 2012, section 211B.15, subdivision 6, is amended to read:

Subd. 6. **Penalty for individuals.** (a) An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation acting on behalf of the corporation who violates this section is subject to a civil penalty of up to ten times the amount of the violation, but in no case more than \$10,000, imposed by the Campaign Finance and Public Disclosure Board under chapter 10A or imposed by the Office of Administrative Hearings under this chapter.

(b) Knowingly violating this section is a crime. An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation acting in behalf of the corporation who ~~violates~~ is convicted of knowingly violating this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Sec. 52. Minnesota Statutes 2012, section 211B.15, subdivision 7, is amended to read:

Subd. 7. **Penalty for corporations.** (a) A corporation that violates this section is subject to a civil penalty of up to ten times the amount of the violation, but in no case more than \$10,000, imposed by the Campaign Finance and Public Disclosure Board under chapter 10A or imposed by the Office of Administrative Hearings under this chapter.

(b) Knowingly violating this section is a crime. A corporation convicted of knowingly violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation may be dissolved as well as fined. If a foreign or nonresident corporation is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Sec. 53. Minnesota Statutes 2012, section 211B.15, is amended by adding a subdivision to read:

Subd. 7b. **Knowing violations.** An individual or a corporation knowingly violates this section if, at the time of a transaction, the individual or the corporation knew:

(1) that the transaction causing the violation constituted a contribution under chapter 10A, chapter 211A, or chapter 383B; and

(2) that the contributor was a corporation subject to the prohibitions of subdivision 2.

Sec. 54. Minnesota Statutes 2012, section 211B.32, subdivision 1, is amended to read:

Subdivision 1. **Administrative remedy; exhaustion.** (a) Except as provided in paragraph (b), a complaint alleging a violation of chapter 211A or 211B must be filed with the office. The complaint must be finally disposed of by the office before the alleged violation may be prosecuted by a county attorney.

(b) Complaints arising under those sections and related to those individuals and associations specified in section 10A.02, subdivision 11, paragraph (a), must be filed with the Campaign Finance and Public Disclosure Board.

Sec. 55. **REPEALER.**

Minnesota Statutes 2012, sections 10A.24; 10A.242; and 10A.25, subdivision 6, are repealed.

Sec. 56. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

## ARTICLE 2 PUBLIC OFFICIAL

Section 1. Minnesota Statutes 2012, 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;

(24) citizen member of the Clean Water Council established in section 114D.30; ~~or~~

(25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;

(26) district court judge, appeals court judge, or Supreme Court justice; or

(27) county commissioner.

Sec. 2. Minnesota Statutes 2012, section 10A.07, is amended to read:

#### **10A.07 CONFLICTS OF INTEREST.**

Subdivision 1. **Disclosure of potential conflicts.** A public official or a local official elected to or appointed by a metropolitan governmental unit who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must take the following actions:

(1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;

(2) deliver copies of the statement to the official's immediate superior, if any; and

(3) if a member of the legislature or of the governing body of a metropolitan governmental unit, deliver a copy of the statement to the presiding officer of the body of service.

If a potential conflict of interest presents itself and there is insufficient time to comply with clauses (1) to (3), the public or local official must orally inform the superior or the official body of service or committee of the body of the potential conflict.

Subd. 2. **Required actions.** If the official is not a member of the legislature or of the governing body of a metropolitan governmental unit, the superior must assign the matter, if possible, to another employee who does not have a potential conflict of interest. If there is no immediate superior, the official must abstain, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the official is a member of the legislature, the house of service may, at the member's request, excuse the member from taking part in the action or decision in question. If the official is not permitted or is otherwise unable to abstain from action in connection with the matter, the official must file a statement describing the potential conflict and the action taken. A public official must file the statement with the board and a local official must file the statement with the governing body of the official's political subdivision. The statement must be filed within a week of the action taken.

Subd. 3. **Interest in contract; local officials.** This section does not apply to a local official with respect to a matter governed by sections 471.87 and 471.88.

Subd. 4. **Exception; judges.** Notwithstanding subdivisions 1 and 2, a public official who is a district court judge, an appeals court judge, or a Supreme Court justice is not required to comply with the provisions of this section.

Sec. 3. Minnesota Statutes 2012, section 10A.071, subdivision 1, is amended to read:

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

(b) "Gift" means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment, that is given and received without the giver receiving consideration of equal or greater value in return.

(c) "Official" means a public official, an employee of the legislature, ~~a judge~~, or a local official of a metropolitan governmental unit.

Sec. 4. Minnesota Statutes 2012, section 10A.08, is amended to read:

#### **10A.08 REPRESENTATION DISCLOSURE.**

Subdivision 1. **Disclosure required.** A public official who represents a client for a fee before an individual, board, commission, or agency that has rulemaking authority in a hearing conducted under chapter 14, must disclose the official's participation in the action to the board within 14 days after the appearance. If the public official fails to disclose the participation within ten business days after the disclosure required by this section was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, starting on the 11th day after the disclosure was due. The board must send notice by certified mail to a public official who fails to disclose the participation within ten business days after the disclosure was due that the public official may be subject to a civil penalty for failure to disclose the participation. A public official who fails to disclose the participation within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Subd. 2. **Exception; judges.** Notwithstanding subdivision 1, a public official who is a district court judge, an appeals court judge, or a Supreme Court justice is not required to comply with the provisions of this section.

Sec. 5. Minnesota Statutes 2012, section 10A.09, subdivision 6a, is amended to read:

Subd. 6a. ~~Local officials~~ **Place of filing.** A public official required to file a statement under this section must file it with the board. A local official required to file a statement under this section must file it with the governing body of the official's political subdivision. The governing body must maintain statements filed with it under this subdivision as public data. If an official position is defined as both a public official and as a local official of a metropolitan governmental unit under this chapter, the official must file the statement with the board.

Sec. 6. Minnesota Statutes 2012, section 10A.09, is amended by adding a subdivision to read:

Subd. 9. **Waivers.** Upon written request and for good cause shown, the board may waive the requirement that an official disclose the address of real property that constitutes a secondary residence of the official.

Sec. 7. **EFFECTIVE DATE.**

This article is effective January 1, 2014, and applies to public officials elected or appointed to terms of office commencing on or after that date.

### ARTICLE 3 TECHNICAL CHANGES

Section 1. Minnesota Statutes 2012, 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, fiscal analyst, or attorney in the Office of Senate Counsel ~~and~~, ~~Research~~ ~~or~~, and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;
- (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;

(24) citizen member of the Clean Water Council established in section 114D.30; or

(25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07.

Sec. 2. Minnesota Statutes 2012, section 10A.025, subdivision 4, is amended to read:

Subd. 4. **Changes and corrections.** Material changes in information previously submitted and corrections to a report or statement must be reported in writing to the board within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction must identify the form and the paragraph containing the information to be changed or corrected.

A person who willfully fails to report a material change or correction is ~~guilty of a gross misdemeanor and~~ is subject to a civil penalty imposed by the board of up to \$3,000. A willful violation of this subdivision is a gross misdemeanor.

The board must send a notice by certified mail to any individual who fails to file a report required by this subdivision. If the individual fails to file the required report within ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day up to \$100 starting on the 11th day after the notice was sent. The board must send an additional notice by certified mail to an individual who fails to file a report within 14 days after the first notice was sent by the board that the individual may be subject to a civil penalty for failure to file a report. An individual who fails to file a report required by this subdivision within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 3. Minnesota Statutes 2012, section 10A.04, subdivision 5, is amended to read:

Subd. 5. **Late filing.** If a lobbyist or principal fails to file a report required by this section ~~within ten business days after~~ by the date the report was due, the board may impose a late filing fee of ~~\$5~~ \$25 per day, not to exceed ~~\$100~~ \$1,000, commencing ~~with~~ the ~~11th~~ day after the report was due. The board must send notice by certified mail to any lobbyist or principal who fails to file a report within ten business days after the report was due that the lobbyist or principal may be subject to a civil penalty for failure to file the report or pay the fee. A lobbyist or principal who fails to file a report or statement or pay a fee within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 4. Minnesota Statutes 2012, section 10A.16, is amended to read:

#### **10A.16 EARMARKING CONTRIBUTIONS PROHIBITED.**

An individual, political committee, political fund, principal campaign committee, or party unit may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate other than the initial recipient. An individual, political committee, political fund, principal campaign committee, or party unit that knowingly accepts any earmarked contribution is ~~guilty of a gross misdemeanor and~~ subject to a civil penalty imposed by the board of up to \$3,000. Knowingly accepting any earmarked contribution is a gross misdemeanor.

Sec. 5. Minnesota Statutes 2012, section 10A.20, subdivision 4, is amended to read:

Subd. 4. **Period of report.** A report must cover the period from January 1 of the reporting year to seven days before the filing date, except that the report due on January 31 must cover the period from ~~the last day covered by the previous report~~ January 1 to December 31 of the reporting year.

Sec. 6. Minnesota Statutes 2012, section 10A.20, subdivision 12, is amended to read:

Subd. 12. **Failure to file; penalty.** If an individual fails to file a report required by this section that is due January 31 ~~within ten business days after the report was due~~, the board may impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the report was due.

If an individual fails to file a report required by this section that is due before a primary or general election ~~within three days after the date due, regardless of whether the individual has received any notice~~, the board may impose a late filing fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the statement was due.

The board must send notice by certified mail to an individual who fails to file a report within ten business days after the report was due that the individual may be subject to a civil penalty for failure to file the report. An individual who fails to file the report within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 7. Minnesota Statutes 2012, section 10A.273, subdivision 1, is amended to read:

Subdivision 1. **Contributions during legislative session.** (a) A candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a house of the legislature, must not solicit or accept a contribution from a registered lobbyist, political committee, political fund, ~~or dissolving principal campaign committee~~ an association not registered with the board, or ~~from~~ a party unit established by the party organization within a house of the legislature, during a regular session of the legislature.

(b) A registered lobbyist, political committee, political fund, ~~or dissolving principal campaign committee~~ an association not registered with the board, or a party unit established by the party organization within a house of the legislature, must not make a contribution to a candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a house of the legislature during a regular session of the legislature.

Sec. 8. Minnesota Statutes 2012, section 10A.273, subdivision 4, is amended to read:

Subd. 4. **Civil penalty.** A candidate, political committee, party unit, political fund, ~~principal campaign committee~~ an association not registered with the board, or a registered lobbyist that violates this section is subject to a civil penalty imposed by the board of up to \$1,000. If the board makes a public finding that there is probable cause to believe a violation of this section has occurred, the board ~~must~~ may bring an action, or transmit the finding to a county attorney who must bring an action, in the District Court of Ramsey County, to collect a civil penalty as imposed by the board. Penalties paid under this section must be deposited in the general fund in the state treasury.

Sec. 9. Minnesota Statutes 2012, section 10A.30, is amended to read:

**10A.30 STATE ELECTIONS CAMPAIGN ~~FUND~~ ACCOUNT.**

Subdivision 1. **Establishment.** An account is established in the special revenue fund of the state known as the "state elections campaign ~~fund~~ account."

Subd. 2. **Separate account.** Within the state elections campaign ~~fund~~ account there must be maintained a separate political party account for the state committee and the candidates of each political party and a general account.

Subd. 3. **Special elections account.** An account is established in the special revenue fund of the state known as the "state special elections campaign account."

Sec. 10. Minnesota Statutes 2012, section 10A.31, subdivision 7, is amended to read:

Subd. 7. **Distribution of general account.** (a) As soon as the board has obtained the results of the primary election from the secretary of state, but no later than one week after certification of the primary results by the State Canvassing Board, the board must distribute the available money in the general account, as certified by the commissioner of revenue ~~on September 1~~ one week before the state primary and according to allocations set forth in subdivision 5, in equal amounts to all candidates of a major political party whose names are to appear on the ballot in the general election and who:

- (1) have signed a spending limit agreement under section 10A.322;
- (2) have filed the affidavit of contributions required by section 10A.323; and
- (3) were opposed in either the primary election or the general election.

(b) The public subsidy under this subdivision may not be paid in an amount that would cause the sum of the public subsidy paid from the party account plus the public subsidy paid from the general account to exceed 50 percent of the expenditure limit for the candidate or 50 percent of the expenditure limit that would have applied to the candidate if the candidate had not been freed from expenditure limits under section 10A.25, subdivision 10. Money from the general account not paid to a candidate because of the 50 percent limit must be distributed equally among all other qualifying candidates for the same office until all have reached the 50 percent limit or the balance in the general account is exhausted.

~~(c) A candidate must expend or become obligated to expend at least an amount equal to 50 percent of the money distributed by the board under this subdivision no later than the end of the final reporting period preceding the general election. Otherwise, the candidate must repay to the board the difference between the amount the candidate spent or became obligated to spend by the deadline and the amount distributed to the candidate under this subdivision. The candidate must make the repayment no later than six months following the general election. The candidate must reimburse the board for all reasonable costs, including litigation costs, incurred in collecting any amount due.~~

~~If the board determines that a candidate has failed to repay money as required by this paragraph, the board may not distribute any additional money to the candidate until the entirety of the repayment has been made.~~

Sec. 11. Minnesota Statutes 2012, section 10A.315, is amended to read:

#### **10A.315 SPECIAL ELECTION SUBSIDY.**

(a) Each eligible candidate for a legislative office in a special election must be paid a public subsidy equal to the sum of:

(1) the party account money at the last general election for the candidate's party for the office the candidate is seeking; and

(2) the general account money paid to a candidate for the same office at the last general election.

(b) A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board and must meet the contribution requirements of section 10A.323. The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.

~~(c) The amount necessary to make the payments required by this section is appropriated from the general fund to the board for transfer to the state special elections campaign account for distribution by the board as set forth in this section.~~

Sec. 12. Minnesota Statutes 2012, section 10A.322, subdivision 4, is amended to read:

Subd. 4. **Refund receipt forms; penalty.** The board must make available to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that:

(1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23; and

(2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section.

The forms must provide duplicate copies of the receipt to be attached to the contributor's claim. ~~A candidate who does not sign an agreement under this section and who willfully issues~~ The willful issuance of an official refund receipt form or a facsimile of one to any of the candidate's contributors by a candidate or treasurer of a candidate who did not sign an agreement under this section is guilty of a misdemeanor.

ARTICLE 4  
CONFORMING CHANGES

Section 1. Minnesota Statutes 2012, section 10A.242, subdivision 1, is amended to read:

Subdivision 1. **Dissolution required.** A political committee, political fund, or principal campaign committee must be dissolved within 60 days after receiving notice from the board that the committee or fund has become inactive. The assets of the committee or fund must be spent for the purposes authorized by section 211B.12 and other applicable law or liquidated and deposited in the general account of the state elections campaign ~~fund~~ account within 60 days after the board notifies the committee or fund that it has become inactive.

Sec. 2. Minnesota Statutes 2012, section 10A.27, subdivision 9, is amended to read:

Subd. 9. **Contributions to and from other candidates.** (a) A candidate or the treasurer of a candidate's principal campaign committee must not accept a contribution from another candidate's principal campaign committee or from any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate, unless the contributing candidate's principal campaign committee is being dissolved. A candidate's principal campaign committee must not make a contribution to another candidate's principal campaign committee, except when the contributing committee is being dissolved.

(b) A principal campaign committee that makes a contribution to another principal campaign committee must provide with the contribution a written statement of the committee's intent to dissolve and terminate its registration within 12 months after the contribution was made. If the committee fails to dissolve and terminate its registration by that time, the board may levy a civil penalty up to four times the size of the contribution against the contributing committee. A contribution from a terminating principal campaign committee that is not accepted by another principal campaign committee must be forwarded to the board for deposit in the general account of the state elections campaign ~~fund~~ account.

(c) A candidate's principal campaign committee must not accept a contribution from, or make a contribution to, a committee associated with a person who seeks nomination or election to the office of president, senator, or representative in Congress of the United States.

(d) A candidate or the treasurer of a candidate's principal campaign committee must not accept a contribution from a candidate for political subdivision office in any state, unless the contribution is from the personal funds of the candidate for political subdivision office. A candidate or the treasurer of a candidate's principal campaign committee must not make a contribution from the principal campaign committee to a candidate for political subdivision office in any state.

Sec. 3. Minnesota Statutes 2012, section 10A.31, subdivision 1, is amended to read:

Subdivision 1. **Designation.** An individual resident of this state who files an income tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate on their original return that \$5 be paid from the general fund of the state into the state elections campaign ~~fund~~ account. If a husband and wife file a joint return, each spouse may designate that \$5 be paid. No individual is allowed to designate \$5 more than once in any year. The taxpayer may designate that the amount be paid into the account of a political party or into the general account.

Sec. 4. Minnesota Statutes 2012, section 10A.31, subdivision 4, is amended to read:

Subd. 4. **Appropriation.** (a) The amounts designated by individuals for the state elections campaign ~~fund~~ account, less three percent, are appropriated from the general fund, must be transferred and credited to the appropriate account in the state elections campaign ~~fund~~ account, and are annually appropriated for distribution as set forth in subdivisions 5, 5a, 6, and 7. The remaining three percent must be kept in the general fund for administrative costs.

(b) In addition to the amounts in paragraph (a), \$1,020,000 for each general election is appropriated from the general fund for transfer to the general account of the state elections campaign ~~fund~~ account.

Sec. 5. Minnesota Statutes 2012, section 10A.321, subdivision 1, is amended to read:

Subdivision 1. **Calculation and certification of estimates.** The commissioner of revenue must calculate and certify to the board one week before the first day for filing for office in each election year an estimate of the total amount in the state general account of the state elections campaign ~~fund~~ account and the amount of money each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, may receive from the candidate's party account in the state elections campaign ~~fund~~ account. This estimate must be based upon the allocations and formulas in section 10A.31, subdivisions 5 and 5a, any necessary vote totals provided by the secretary of state to apply the formulas in section 10A.31, subdivisions 5 and 5a, and the amount of money expected to be available after 100 percent of the tax returns have been processed.

Sec. 6. Minnesota Statutes 2012, section 10A.324, subdivision 1, is amended to read:

Subdivision 1. **When return required.** A candidate must return all or a portion of the public subsidy received from the state elections campaign ~~fund~~ account or the public subsidy received under section 10A.315, under the circumstances in this section or section 10A.257, subdivision 1.

To the extent that the amount of public subsidy received exceeds the aggregate of: (1) actual expenditures made by the principal campaign committee of the candidate; and (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee must return an amount equal to the difference to the board. The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned. Expenditures in excess of the candidate's spending limit do not count in determining aggregate expenditures under this paragraph.

Sec. 7. Minnesota Statutes 2012, section 211B.37, is amended to read:

**211B.37 COSTS ASSESSED.**

Except as otherwise provided in section 211B.36, subdivision 3, the chief administrative law judge shall assess the cost of considering complaints filed under section 211B.32 as provided in this section. Costs of complaints relating to a statewide ballot question or an election for a statewide or legislative office must be assessed against the appropriation from the general fund to the general account of the state elections campaign ~~fund~~ account in section 10A.31, subdivision 4. Costs of complaints relating to any other ballot question or elective office must be assessed against the county or counties in which the election is held. Where the election is held in more than one county, the chief administrative law judge shall apportion the assessment among the counties in proportion to their respective populations within the election district to which the complaint relates according to the most recent decennial federal census.

Sec. 8. **EFFECTIVE DATE.**

This article is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to government operations; making various policy, technical, conforming, and other changes to campaign finance and public disclosure law; providing for additional disclosure; modifying certain regulations, reporting, spending and contribution limits, registration, definitions, and various procedures; modifying definition of public official; modifying penalties related to corporate political contributions; providing penalties;

amending Minnesota Statutes 2012, sections 10A.01, subdivisions 10, 11, 16, 27, 28, 35, by adding subdivisions; 10A.02, subdivisions 9, 10, 11, 12, 15; 10A.025, subdivisions 2, 3, 4; 10A.04, subdivision 5; 10A.07; 10A.071, subdivisions 1, 3; 10A.08; 10A.09, subdivision 6a, by adding a subdivision; 10A.105, subdivision 1; 10A.12, subdivisions 1, 1a, 2; 10A.121; 10A.14, subdivision 1, by adding a subdivision; 10A.15, subdivisions 1, 3; 10A.16; 10A.20, subdivisions 1, 2, 3, 4, 5, 6, 7, 12, by adding a subdivision; 10A.241; 10A.242, subdivision 1; 10A.25, subdivisions 2, 2a, 3; 10A.257, subdivision 1; 10A.27, subdivisions 1, 9, 10, 11, 13, 14, 15; 10A.273, subdivisions 1, 4; 10A.30; 10A.31, subdivisions 1, 4, 7; 10A.315; 10A.321, subdivision 1; 10A.322, subdivision 4; 10A.323; 10A.324, subdivision 1; 211B.15, subdivisions 6, 7, by adding a subdivision; 211B.32, subdivision 1; 211B.37; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2012, sections 10A.24; 10A.242; 10A.25, subdivision 6."

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

Senate Conferees: KATIE SIEBEN and MATT SCHMIT.

House Conferees: RYAN WINKLER, RAYMOND DEHN and KURT DAUDT.

Winkler moved that the report of the Conference Committee on S. F. No. 661 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 661, A bill for an act relating to campaign finance; providing for additional disclosure; making various changes to campaign finance and public disclosure law; expanding jurisdiction of Campaign Finance and Public Disclosure Board; expanding definition of public official; amending Minnesota Statutes 2012, sections 10A.01, subdivisions 10, 11, 16, 27, 28, 35, by adding subdivisions; 10A.02, subdivisions 9, 10, 11, 12, 15; 10A.025, subdivisions 2, 3, 4; 10A.04, subdivision 5; 10A.071, subdivision 3; 10A.105, subdivision 1; 10A.12, subdivisions 1, 1a, 2; 10A.121; 10A.14, subdivision 1, by adding a subdivision; 10A.15, subdivisions 1, 3; 10A.16; 10A.20, subdivisions 1, 2, 3, 4, 5, 6, 7, 12, by adding a subdivision; 10A.241; 10A.242, subdivision 1; 10A.25, subdivisions 2, 2a, 3, 3a; 10A.257, subdivision 1; 10A.27, subdivisions 1, 2, 9, 10, 11, 13, 14, 15; 10A.273, subdivisions 1, 4; 10A.30; 10A.31, subdivisions 1, 4, 7; 10A.315; 10A.321, subdivision 1; 10A.322, subdivision 4; 10A.323; 10A.324, subdivision 1; 211B.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2012, sections 10A.24; 10A.242; 10A.25, subdivision 6.

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

The question was taken on the repassage of the bill and the roll was called. There were 85 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Albright	Daudt	Faust	Howe	Leidiger	McNamara
Allen	Davids	Fischer	Huntley	Lien	Melin
Anzelc	Davnie	Franson	Isaacson	Lillie	Metsa
Beard	Dehn, R.	Fritz	Johnson, B.	Loeffler	Moran
Benson, J.	Dettmer	Gunther	Johnson, S.	Mahoney	Mullery
Bernardy	Dill	Hamilton	Kahn	Mariani	Murphy, E.
Bly	Dorholt	Hansen	Kelly	Marquart	Nelson
Brynaert	Erhardt	Hertaus	Kieffer	Masin	Newton
Carlson	Erickson, R.	Hoppe	Kresha	McDonald	Nornes
Clark	Falk	Hornstein	Laine	McNamar	O'Driscoll

O'Neill	Poppe	Savick	Simonson	Wagenius
Paymar	Pugh	Sawatzky	Slocum	Ward, J.A.
Pelowski	Radinovich	Schoen	Sundin	Ward, J.E.
Persell	Runbeck	Schomacker	Torkelson	Winkler
Petersburg	Sanders	Simon	Urdahl	Spk. Thissen

Those who voted in the negative were:

Abeler	Drazkowski	Halverson	Liebling	Peppin	Woodard
Anderson, M.	Erickson, S.	Hausman	Lohmer	Quam	Yarusso
Anderson, P.	Fabian	Hilstrom	Loon	Rosenthal	Zellers
Anderson, S.	FitzSimmons	Holberg	Mack	Scott	Zerwas
Atkins	Freiberg	Hortman	Morgan	Selcer	
Barrett	Garofalo	Johnson, C.	Murphy, M.	Swedzinski	
Benson, M.	Green	Kiel	Myhra	Theis	
Cornish	Gruenhagen	Lenczewski	Newberger	Uglem	
Dean, M.	Hackbarth	Lesch	Norton	Wills	

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

Murphy, E., 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.

### **MESSAGES FROM THE SENATE, Continued**

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. 894, A bill for an act relating to elections; making policy, technical, and clarifying changes to various provisions related to election law, including provisions related to absentee voting, redistricting, ballots, registration, voting, caucuses, campaigns, the loss and restoration of voting rights, vacancies in nomination, county government structure, and election administration; providing an electronic roster pilot project and task force; requiring reports;

appropriating money; amending Minnesota Statutes 2012, sections 5B.06; 13.851, subdivision 10; 103C.225, subdivision 3; 103C.305, subdivision 3; 103C.311, subdivision 2; 123A.48, subdivision 14; 201.054, subdivision 2, by adding a subdivision; 201.061, subdivision 3; 201.071, subdivision 2; 201.091, subdivision 8; 201.12, subdivision 3; 201.13, subdivision 1a; 201.14; 201.157; 201.275; 202A.14, subdivision 1; 203B.02, subdivision 1; 203B.04, subdivisions 1, 5; 203B.05, subdivision 1; 203B.06, subdivisions 1, 3; 203B.08, subdivision 3; 203B.081; 203B.121, subdivisions 1, 2, 3, 4, 5; 203B.227; 203B.28; 204B.04, by adding a subdivision; 204B.13, subdivisions 1, 2, 5, by adding subdivisions; 204B.18, subdivision 2; 204B.22, subdivision 1; 204B.28, subdivision 1; 204B.32, subdivision 1; 204B.33; 204B.35, subdivision 4; 204B.36, subdivision 1; 204B.45, subdivisions 1, 2; 204B.46; 204C.14; 204C.15, subdivision 1; 204C.19, subdivision 2; 204C.25; 204C.27; 204C.35, subdivision 1, by adding a subdivision; 204C.36, subdivision 1; 204D.08, subdivision 6; 204D.09, subdivision 2; 204D.11, subdivisions 1, 4, 5, 6; 204D.13, subdivision 3; 204D.14, subdivisions 1, 3; 204D.15, subdivision 3; 204D.16; 204D.165; 204D.19, subdivision 2, by adding a subdivision; 205.02, subdivision 2; 205.10, subdivision 3; 205.13, subdivision 1a; 205.16, subdivisions 4, 5; 205.17, subdivisions 1, 3; 205A.04, by adding a subdivision; 205A.05, subdivisions 1, 2; 205A.07, subdivisions 3, 3a, 3b; 205A.08, subdivision 1; 206.57, by adding a subdivision; 206.61, subdivision 4; 206.89, subdivision 2, by adding a subdivision; 206.895; 206.90, subdivision 6; 208.04, subdivisions 1, 2; 211B.045; 211B.37; 241.065, subdivision 2; 340A.416, subdivisions 2, 3; 340A.602; 375.20; 447.32, subdivisions 2, 3, 4; Laws 1963, chapter 276, section 2, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 2; 204B; 244; repealing Minnesota Statutes 2012, sections 2.484; 203B.04, subdivision 6; 204B.12, subdivision 2a; 204B.13, subdivisions 4, 6; 204B.22, subdivision 2; 204B.42; 204D.11, subdivisions 2, 3; 205.17, subdivisions 2, 4; 205A.08, subdivision 4.

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.

JOANNE M. ZOFF, Secretary of 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. 1183, A bill for an act relating to state government; appropriating money from constitutionally dedicated legacy funds; modifying provisions of Lessard-Sams Outdoor Heritage Council; establishing certain land acquisition requirements; providing for agricultural water quality certification; modifying provisions for restoration evaluations; requiring use of certain standards for public water access sites; establishing Greater Minnesota Regional Parks and Trails Commission; modifying certain metropolitan area regional park provisions; extending previous appropriation; modifying Clean Water Legacy Act; prohibiting sale and use of coal tar sealant; modifying Mississippi River corridor critical area program; modifying certain grant eligibility; requiring issuance of city license; authorizing certain expenditures; requiring recapture of certain funds previously appropriated; providing for reimbursement of certain costs; requiring reports; amending Minnesota Statutes 2012, sections 3.9741, subdivision 3; 10A.01, subdivision 35; 85.53, subdivision 2; 97A.056, subdivisions 3, 10, 11, by adding subdivisions; 114D.15, by adding a subdivision; 114D.50, subdivisions 4, 6, by adding subdivisions; 116G.15, subdivisions 2, 3, 4, 7; 129D.17, subdivision 2; 129D.19, subdivisions 1, 2; Laws 2001, chapter 193, section 10; Laws 2010, chapter 361, article 3, section 7; proposing coding for new law in Minnesota Statutes, chapters 17; 85; 114D; 116; repealing Minnesota Statutes 2012, section 116.201.

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.

JOANNE M. ZOFF, 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. 316, A bill for an act relating to transportation; motor vehicles; amending fees for certain motor vehicle titling transactions; amending Minnesota Statutes 2012, section 168A.29, subdivision 1.

JOANNE M. ZOFF, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Mahoney moved that the House concur in the Senate amendments to H. F. No. 316 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 316, A bill for an act relating to transportation; motor vehicles; amending fees for certain motor vehicle titling transactions; appropriating money; amending 2013 S. F. No. 671, article 1, section 12, subdivision 3, if enacted; proposing coding for new law in Minnesota Statutes, chapter 169.

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

The question was taken on the repassage of the bill and the roll was called. There were 132 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hansen	Lesch	Myhra	Schoen
Albright	Dettmer	Hausman	Liebling	Nelson	Schomacker
Allen	Dill	Hertaus	Lien	Newberger	Scott
Anderson, M.	Dorholt	Hilstrom	Lillie	Newton	Selcer
Anderson, P.	Drazkowski	Holberg	Loeffler	Nornes	Simon
Anderson, S.	Erhardt	Hoppe	Lohmer	Norton	Simonson
Anzelc	Erickson, R.	Hornstein	Loon	O'Driscoll	Slocum
Atkins	Erickson, S.	Hortman	Mack	O'Neill	Sundin
Barrett	Fabian	Howe	Mahoney	Paymar	Swedzinski
Beard	Falk	Huntley	Mariani	Pelowski	Theis
Benson, J.	Faust	Isaacson	Marquart	Peppin	Torkelson
Benson, M.	Fischer	Johnson, B.	Masin	Persell	Uglen
Bernardy	FitzSimmons	Johnson, C.	McDonald	Petersburg	Urdahl
Bly	Franson	Johnson, S.	McNamar	Poppe	Wagenius
Brynaert	Freiberg	Kahn	McNamara	Pugh	Ward, J.A.
Carlson	Fritz	Kelly	Melin	Quam	Ward, J.E.
Clark	Garofalo	Kieffer	Metsa	Radinovich	Wills
Cornish	Green	Kiel	Moran	Rosenthal	Winkler
Daudt	Gruenhagen	Kresha	Morgan	Runbeck	Woodard
Davids	Gunther	Laine	Mullery	Sanders	Zellers
Davnie	Halverson	Leidiger	Murphy, E.	Savick	Zerwas
Dean, M.	Hamilton	Lenczewski	Murphy, M.	Sawatzky	Spk. Thissen

Those who voted in the negative were:

Hackbarth            Yarusso

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

Mr. Speaker:

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

H. F. No. 854, A bill for an act relating to energy; regulating conservation improvement investments for low-income programs; requiring certificate of need approval for certain high-voltage transmission lines; amending Minnesota Statutes 2012, section 216B.241, subdivision 7.

JOANNE M. ZOFF, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Atkins moved that the House concur in the Senate amendments to H. F. No. 854 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 854, A bill for an act relating to energy; modifying provisions related to distributed generation and renewable energy; regulating conservation improvement investments for low-income programs; modifying eminent domain and condemnation procedures; amending Minnesota Statutes 2012, sections 216B.164, subdivision 3a, as added; 216B.241, subdivision 7; 216B.2422, subdivision 4; 216E.12, subdivision 4.

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

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilstrom	Lien	Myhra	Selcer
Albright	Dorholt	Hornstein	Lillie	Nelson	Simon
Allen	Erhardt	Hortman	Loeffler	Newton	Simonson
Anderson, P.	Erickson, R.	Howe	Loon	Nornes	Slocum
Anderson, S.	Fabian	Huntley	Mack	Norton	Sundin
Anzelc	Falk	Isaacson	Mahoney	O'Driscoll	Swedzinski
Atkins	Faust	Johnson, B.	Mariani	Paymar	Theis
Barrett	Fischer	Johnson, C.	Marquart	Pelowski	Torkelson
Benson, J.	Franson	Johnson, S.	Masin	Persell	Uglen
Bernardy	Freiberg	Kahn	McDonald	Petersburg	Urdahl
Bly	Fritz	Kelly	McNamar	Poppe	Wagenius
Brynaert	Green	Kieffer	McNamara	Pugh	Ward, J.A.
Carlson	Gruenhagen	Kiel	Melin	Radinovich	Ward, J.E.
Clark	Gunther	Kresha	Metsa	Rosenthal	Wills
Cornish	Halverson	Laine	Moran	Sanders	Winkler
Daudt	Hamilton	Leidiger	Morgan	Savick	Woodard
Davids	Hansen	Lenczewski	Mullery	Sawatzky	Yarusso
Davnie	Hausman	Lesch	Murphy, E.	Schoen	Zellers
Dehn, R.	Hertaus	Liebling	Murphy, M.	Schomacker	Spk. Thissen

Those who voted in the negative were:

Anderson, M.	Dean, M.	Erickson, S.	Hackbarth	Newberger	Quam
Beard	Dettmer	FitzSimmons	Hoppe	O'Neill	Runbeck
Benson, M.	Drazkowski	Garofalo	Lohmer	Peppin	Scott

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

The Speaker called Simon to the Chair.

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. 590, A bill for an act relating to crime; prescribing criminal penalties for assaulting a transit operator; amending Minnesota Statutes 2012, section 609.2231, by adding a subdivision.

JOANNE M. ZOFF, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Hilstrom moved that the House concur in the Senate amendments to H. F. No. 590 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 590, A bill for an act relating to crime; prescribing criminal penalties for assaulting a transit operator; amending Minnesota Statutes 2012, section 609.2231, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hausman	Liebling	Newberger	Selcer
Albright	Dettmer	Hertaus	Lien	Newton	Simon
Allen	Dill	Hilstrom	Lillie	Nornes	Simonson
Anderson, M.	Dorholt	Holberg	Loeffler	Norton	Slocum
Anderson, P.	Drazkowski	Hoppe	Lohmer	O'Driscoll	Sundin
Anderson, S.	Erhardt	Hornstein	Loon	O'Neill	Swedzinski
Anzelc	Erickson, R.	Hortman	Mack	Paymar	Theis
Atkins	Erickson, S.	Howe	Mahoney	Pelowski	Torkelson
Barrett	Fabian	Huntley	Mariani	Peppin	Uglen
Beard	Falk	Isaacson	Marquart	Persell	Urdahl
Benson, J.	Faust	Johnson, B.	Masin	Petersburg	Wagenius
Benson, M.	Fischer	Johnson, C.	McNamar	Poppe	Ward, J.A.
Bernardy	Franson	Johnson, S.	McNamara	Pugh	Ward, J.E.
Bly	Freiberg	Kahn	Melin	Radinovich	Wills
Brynaert	Fritz	Kelly	Metsa	Rosenthal	Winkler
Carlson	Garofalo	Kieffer	Moran	Runbeck	Woodard
Clark	Gruenhagen	Kiel	Morgan	Sanders	Yarusso
Cornish	Gunther	Kresha	Mullery	Savick	Zellers
Daudt	Hackbarth	Laine	Murphy, E.	Sawatzky	Zerwas
Davids	Halverson	Leidiger	Murphy, M.	Schoen	Spk. Thissen
Davnie	Hamilton	Lenczewski	Myhra	Schomacker	
Dean, M.	Hansen	Lesch	Nelson	Scott	

Those who voted in the negative were:

FitzSimmons      Green      McDonald      Quam

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

Mr. Speaker:

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

H. F. No. 1389, A bill for an act relating to state government; changing certain finance and budget provisions; adding the Office of MN.IT Services to certain provisions and changing certain MN.IT provisions; amending Minnesota Statutes 2012, sections 3.30, subdivision 2; 3.3005, subdivision 2, by adding subdivisions; 3.736, subdivision 7; 3.989, subdivision 2; 3D.14; 4.07, subdivision 2; 4A.01, subdivision 3; 4A.02; 15.06, subdivision 1; 15.76, subdivisions 1, 2, 3; 16A.056, subdivision 7; 16A.095; 16A.10, subdivisions 1, 1c; 16A.127, subdivision 4; 16A.96, subdivision 2; 16E.01, subdivision 1; 16E.04, subdivision 2; 16E.18, subdivision 8; 43A.08, subdivision 1a; 299C.65, subdivision 1; 403.36, subdivision 1; 477A.03, subdivision 2b; repealing Minnesota Statutes 2012, sections 15.06, subdivision 1a; 16A.06, subdivision 9; 16A.103, subdivision 4; 16A.106; 43A.31, subdivision 2; 325G.415.

JOANNE M. ZOFF, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kahn moved that the House concur in the Senate amendments to H. F. No. 1389 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1389, A bill for an act relating to state government; changing certain finance and budget provisions; adding the Office of MN.IT Services to certain provisions and changing certain MN.IT provisions; exempting the state information network from certain term limitations on contracts; amending Minnesota Statutes 2012, sections 3.30, subdivision 2; 3.3005, subdivision 2, by adding subdivisions; 3.736, subdivision 7; 3.989, subdivision 2; 3D.14; 4.07, subdivision 2; 4A.01, subdivision 3; 4A.02; 15.06, subdivision 1; 15.76, subdivisions 1, 2, 3; 16A.056, subdivision 7; 16A.095; 16A.10, subdivisions 1, 1c; 16A.127, subdivision 4; 16A.96, subdivision 2; 16E.01, subdivision 1; 16E.015, by adding a subdivision; 16E.04, subdivision 2; 16E.18, subdivision 8; 43A.08, subdivision 1a; 299C.65, subdivision 1; 403.36, subdivision 1; 477A.03, subdivision 2b; Laws 2011, First Special Session chapter 10, article 4, section 7; repealing Minnesota Statutes 2012, sections 15.06, subdivision 1a; 16A.06, subdivision 9; 16A.103, subdivision 4; 16A.106; 43A.31, subdivision 2; 325G.415.

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

The question was taken on the repassage of the bill and the roll was called. There were 77 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Abeler	Benson, J.	Clark	Erhardt	Freiberg	Hornstein
Allen	Bernardy	Davnie	Erickson, R.	Fritz	Hortman
Anderson, P.	Bly	Dehn, R.	Falk	Halverson	Huntley
Anzelc	Brynaert	Dill	Faust	Hansen	Isaacson
Atkins	Carlson	Dorholt	Fischer	Hilstrom	Johnson, B.

Johnson, C.	Lillie	Melin	Newton	Savick	Urdahl
Johnson, S.	Loeffler	Metsa	Norton	Sawatzky	Wagenius
Kahn	Mahoney	Moran	Paymar	Schoen	Ward, J.A.
Laine	Mariani	Morgan	Pelowski	Selcer	Ward, J.E.
Lenczewski	Marquart	Mullery	Persell	Simon	Winkler
Lesch	Masin	Murphy, E.	Poppe	Simonson	Yarusso
Liebling	McNamar	Murphy, M.	Radinovich	Slocum	Spk. Thissen
Lien	McNamara	Nelson	Rosenthal	Sundin	

Those who voted in the negative were:

Albright	Dettmer	Hackbarth	Leidiger	Peppin	Torkelson
Anderson, M.	Drazkowski	Hamilton	Lohmer	Petersburg	Uglen
Anderson, S.	Erickson, S.	Hertaus	Loon	Pugh	Wills
Barrett	Fabian	Holberg	Mack	Quam	Woodard
Beard	FitzSimmons	Hoppe	McDonald	Runbeck	Zellers
Benson, M.	Franson	Howe	Myhra	Sanders	Zerwas
Cornish	Garofalo	Kelly	Newberger	Schomacker	
Daudt	Green	Kieffer	Nornes	Scott	
Davids	Gruenhagen	Kiel	O'Driscoll	Swedzinski	
Dean, M.	Gunther	Kresha	O'Neill	Theis	

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

Mr. Speaker:

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

H. F. No. 1221, A bill for an act relating to commerce; making various technical and housekeeping changes related to staff adjusters, canceled licenses, and transfer fees; providing producer training requirements for flood insurance products; eliminating the membership camping license requirement; repealing an obsolete collection agency rule; correcting cross-references; making adjustments to various dollar amounts as required by state law; providing for a method to periodically update Minnesota Statutes to reflect the current dollar amounts as adjusted; amending Minnesota Statutes 2012, sections 47.59, subdivisions 3, 6; 56.12; 56.125, subdivision 2; 56.131, subdivisions 2, 6; 72B.10; 82.62, subdivision 7; 82.63, subdivision 8; 82A.06, subdivision 2; 82A.13, subdivision 1; 82A.18, subdivision 2; 82C.16, subdivision 1; 325G.22, subdivision 1; 510.02, subdivision 1; 550.37, subdivisions 4, 4a, 6, 10, 12a, 23, 24; proposing coding for new law in Minnesota Statutes, chapter 60K; repealing Minnesota Statutes 2012, sections 82A.16; 82A.17; Minnesota Rules, part 2870.1500.

JOANNE M. ZOFF, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Dehn, R., moved that the House concur in the Senate amendments to H. F. No. 1221 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1221, A bill for an act relating to commerce; making various technical and housekeeping changes related to staff adjusters, canceled licenses, and transfer fees; providing producer training requirements for flood insurance products; regulating the Commerce Fraud Bureau; requiring property and casualty actuarial opinions of reserves and supporting documentation; regulating the agricultural cooperative health plan for farmers; regulating

real property appraisals; providing application, education, and training requirements; regulating certain Public Utilities Commission requests relating to service of notices, orders, and other documents; eliminating the membership camping license requirement; repealing an obsolete collection agency rule; correcting cross-references; making adjustments to various dollar amounts as required by state law; providing for a method to periodically update Minnesota Statutes to reflect the current dollar amounts as adjusted; amending Minnesota Statutes 2012, sections 13.712, by adding a subdivision; 45.0135; 45.027, subdivision 2; 45.307; 45.43; 47.59, subdivisions 3, 6; 56.12; 56.125, subdivision 2; 56.131, subdivisions 2, 6; 60A.62, subdivision 1; 72B.10; 82.62, subdivision 7; 82.63, subdivision 8; 82A.06, subdivision 2; 82A.13, subdivision 1; 82A.18, subdivision 2; 82B.08, by adding a subdivision; 82B.094; 82B.095, subdivision 2; 82B.10, subdivision 1; 82B.13, subdivisions 1, 4, 5, 8, by adding a subdivision; 82C.16, subdivision 1; 216.17, subdivisions 2, 4; 216B.18; 299C.40, subdivision 1; 325G.22, subdivision 1; 510.02, subdivision 1; 550.37, subdivisions 4, 4a, 6, 10, 12a, 23, 24; Laws 2007, chapter 147, article 12, section 14, as amended; proposing coding for new law in Minnesota Statutes, chapters 60A; 60K; repealing Minnesota Statutes 2012, sections 82A.16; 82A.17; 82B.095, subdivision 1; 115C.09, subdivision 3k; Laws 2000, chapter 488, article 3, section 37; Minnesota Rules, part 2870.1500.

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

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Hamilton	Lillie	Nornes	Sundin
Allen	Dehn, R.	Hansen	Loeffler	Norton	Swedzinski
Anderson, M.	Dettmer	Hilstrom	Loon	O'Driscoll	Theis
Anderson, P.	Dill	Hoppe	Mack	O'Neill	Torkelson
Anderson, S.	Dorholt	Hornstein	Mahoney	Paymar	Uglen
Anzelc	Erhardt	Hortman	Mariani	Pelowski	Urdahl
Atkins	Erickson, R.	Howe	Marquart	Persell	Wagenius
Barrett	Erickson, S.	Huntley	Masin	Petersburg	Ward, J.A.
Beard	Fabian	Isaacson	McDonald	Poppe	Ward, J.E.
Benson, J.	Falk	Johnson, C.	McNamar	Radinovich	Winkler
Benson, M.	Faust	Johnson, S.	McNamara	Rosenthal	Woodard
Bernardy	Fischer	Kahn	Melin	Runbeck	Yarusso
Bly	FitzSimmons	Kelly	Metsa	Savick	Zellers
Brynaert	Franson	Kiel	Moran	Sawatzky	Zerwas
Carlson	Freiberg	Kresha	Morgan	Schoen	Spk. Thissen
Clark	Fritz	Laine	Mullery	Schomacker	
Cornish	Green	Lenczewski	Murphy, E.	Selcer	
Daudt	Gruenhagen	Lesch	Murphy, M.	Simon	
Davids	Gunther	Liebling	Nelson	Simonson	
Davnie	Halverson	Lien	Newton	Slocum	

Those who voted in the negative were:

Albright	Hackbarth	Johnson, B.	Lohmer	Peppin	Sanders
Drazkowski	Hertaus	Kieffer	Myhra	Pugh	Scott
Garofalo	Holberg	Leidiger	Newberger	Quam	Wills

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

Mr. Speaker:

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

S. F. No. 1656.

JOANNE M. ZOFF, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 1656, A bill for an act relating to disaster assistance; appropriating money to match federal disaster aid for the April 2013 severe winter storm in southwest Minnesota.

The bill was read for the first time.

**DECLARATION OF URGENCY**

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Schomacker moved that the rule therein be suspended and an urgency be declared and that the rules of the House be so far suspended so that S. F. No. 1656 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1656 was read for the second time.

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

S. F. No. 1656 was reported to the House.

Schomacker moved to amend S. F. No. 1656, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. **APPROPRIATION; DISASTER AID.**

\$1,500,000 is appropriated from the general fund in fiscal year 2014 to the commissioner of public safety for the purposes specified in Minnesota Statutes, section 12A.15, subdivision 1, to match federal disaster assistance for the severe winter storm that occurred April 9, 2013, through April 11, 2013, in the area designated under Presidential Declaration of a Major Disaster FEMA-4113-DR. This appropriation is available for expenditure the day following final enactment. Notwithstanding Minnesota Statutes, section 16A.28, this appropriation is available until June 30, 2016.

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

The motion prevailed and the amendment was adopted.

Hamilton, Gunther and Schomacker moved to amend S. F. No. 1656, the second engrossment, as amended, as follows:

Page 1, line 4, before "\$1,500,000" insert "(a)"

Page 1, after line 10, insert:

"(b) \$250,000 is appropriated from the general fund in fiscal year 2014 to the commissioner of public safety for the purposes specified in Minnesota Statutes, section 12A.15, subdivisions 2 and 2a, to remove debris and provide long-term recovery assistance for the severe winter storm identified in paragraph (a). This appropriation is available for expenditure the day following final enactment. Notwithstanding Minnesota Statutes, section 16A.28, this appropriation is available until June 30, 2016."

The motion prevailed and the amendment was adopted.

S. F. No. 1656, A bill for an act relating to disaster assistance; appropriating money to match federal disaster aid for the April 2013 severe winter storm in southwest Minnesota.

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 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hansen	Liebling	Nornes	Simon
Albright	Dettmer	Hertaus	Lien	Norton	Simonson
Allen	Dill	Hilstrom	Lillie	O'Driscoll	Slocum
Anderson, M.	Dorholt	Holberg	Loeffler	O'Neill	Sundin
Anderson, P.	Drazkowski	Hoppe	Lohmer	Paymar	Swedzinski
Anderson, S.	Erhardt	Hornstein	Loon	Pelowski	Theis
Anzelc	Erickson, S.	Hortman	Mack	Peppin	Torkelson
Atkins	Fabian	Howe	Mahoney	Persell	Uglen
Barrett	Falk	Huntley	Marquart	Petersburg	Urdahl
Beard	Faust	Isaacson	Masin	Poppe	Wagenius
Benson, J.	Fischer	Johnson, B.	McDonald	Pugh	Ward, J.A.
Benson, M.	FitzSimmons	Johnson, C.	McNamar	Quam	Ward, J.E.
Bernardy	Franson	Johnson, S.	McNamara	Radinovich	Wills
Bly	Freiberg	Kahn	Metsa	Rosenthal	Winkler
Brynaert	Fritz	Kelly	Moran	Runbeck	Woodard
Carlson	Garofalo	Kieffer	Morgan	Sanders	Yarusso
Clark	Green	Kiel	Mullery	Savick	Zellers
Cornish	Gruenhagen	Kresha	Murphy, E.	Sawatzky	Zerwas
Daudt	Gunther	Laine	Murphy, M.	Schoen	Spk. Thissen
Davids	Hackbarth	Leidiger	Myhra	Schomacker	
Davnie	Halverson	Lenczewski	Newberger	Scott	
Dean, M.	Hamilton	Lesch	Newton	Selcer	

Those who voted in the negative were:

Melin                      Nelson

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

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Murphy, E., from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Monday, May 20, 2013:

H. F. Nos. 972, 1840 and 1832; S. F. No. 629; and H. F. No. 1070.

## CALENDAR FOR THE DAY

H. F. No. 1070 was reported to the House.

Ward, J. E., moved to amend H. F. No. 1070, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature or as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, money appropriated in this act for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

### **SUMMARY**

<u>Natural Resources</u>	<u>20,000,000</u>
<u>Administration</u>	<u>131,680,000</u>
<u>Veterans Affairs</u>	<u>18,935,000</u>
<u>Public Facilities Authority</u>	<u>8,000,000</u>
<u>Bond Sale Expenses</u>	<u>180,000</u>
<u>Cancellations; Reductions</u>	<u>(2,000,000)</u>
 <b><u>TOTAL</u></b>	 <b><u>\$176,795,000</u></b>
 <u>Bond Proceeds Fund (General Fund Debt Service)</u>	 <u>156,115,000</u>
<u>Bond Proceeds Fund (User Financed Debt Service)</u>	<u>22,680,000</u>
<u>Bond Proceeds Cancellations</u>	<u>(2,000,000)</u>

### **APPROPRIATIONS**

Sec. 2. **NATURAL RESOURCES** **\$20,000,000**

To the commissioner of natural resources for the purposes specified in this section.

(a) For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

(b) Levee projects, to the extent practical, shall meet the state standard of three feet above the 100-year flood elevation.

(c) Project priorities shall be determined by the commissioner as appropriate and based on need, and to the extent possible, address needs in the Moorhead area first.

(d) This appropriation includes money for the following county, township, and municipal projects as prioritized by the commissioner: Ada, Afton, Alvarado, Argyle, Austin, Borup, Breckenridge, Browntown, Climax, Crookston, Delano, Granite Falls, Inver Grove Heights, Maynard, Melrose, Minneota, Minnesota River Area II, Montevideo, Moorhead, Newport, Nielsville, Oakport Township, Oslo, Roseau, Rushford, St. Vincent, and Shelly.

(e) This appropriation includes money for the following watershed projects: North Ottawa, Bois de Sioux Watershed District; Quick, Two Rivers Watershed District; Redpath, Bois de Sioux Watershed District; Roseau Wildlife Management Area, Roseau River Watershed District; and Shell Rock Watershed District.

(f) For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

(g) To the extent that the cost of a project exceeds two percent of the median household income in a municipality or township multiplied by the number of households in the municipality or township, this appropriation is also for the local share of the project.

### Sec. 3. ADMINISTRATION

#### Subdivision 1. Total Appropriation

131,680,000

To the commissioner of administration for the purposes specified in this section.

#### Subd. 2. Capitol Renovation and Restoration

109,000,000

This appropriation may be used for one or more of the following purposes:

(1) to complete the design of, and to construct, repair, improve, renovate, restore, furnish, and equip the State Capitol building and grounds; including but not limited to exterior stone repairs and window replacement; asbestos and hazardous materials abatement; mechanical, electrical, plumbing, and security systems replacement; general construction, including but not limited to demolition, site improvements, life safety improvements, accessibility, security and telecommunications; roof replacement; and finish work; and

(2) to predesign, design, conduct hazardous materials abatement, construct, repair, renovate, remodel, furnish, and equip the State Office Building, Administration Building, Centennial Office Building, 321 Grove Street Building, and other buildings and parking facilities located on the Capitol campus as determined by the commissioner of administration to meet temporary and permanent office, storage, parking, and other space needs occasioned by and in furtherance of an efficient restoration of the State Capitol Building and for the efficient and effective function of the tenants currently located in the Capitol Building.

In addition to any other approvals required, the commissioner of administration must submit the schematic design, design development, and work packages to the Capitol Preservation Commission, and may not proceed with a work package until the commission approves that work package.

The commissioner must incorporate life safety (Tier 1), water management (Tier 2), and selective restoration of architectural features (Tier 3), as described in the Minnesota State Capitol Exterior Stone Repair Project report dated May 8, 2013, into repair work on the exterior stone of the Capitol that is funded under this appropriation.

The commissioner of administration must not construct or place any permanent building, structure, or facility for offices, parking, storage, or other use, in the area commonly known as Lief Erikson Park in the Capitol complex.

### **Subd. 3. Tenant approval**

(a) The commissioner of administration must not prepare final plans and specifications for any construction authorized under subdivision 2 until the program plan and cost estimates for all elements necessary to complete the project have been approved by each tenant representative as to the space proposed for that tenant. The program plans and cost estimates must be presented to a tenant representative at least 30 days before the approval is needed from that representative. In addition, the appropriation in 2013 House File No. 677, article 12, section 22, if enacted, is not available for relocation of a tenant until that tenant representative approves a relocation plan submitted by the commissioner of administration for that tenant at least ten days before approval is needed from that representative. The relocation plan shall:

(1) describe when each person who currently occupies office space located in the Capitol building will be moved out of the Capitol building;

(2) identify the building and office space assigned to each person relocated during renovation of the Capitol building;

(3) identify the parking spaces that will be assigned to each person relocated during renovation, including the funding mechanism for any new parking spaces;

(4) state when each person relocated during renovation will be moved back into permanent office space and where the office space will be located; and

(5) include a written, signed tenant agreement for tenancy in the Capitol building after renovation.

For the purposes of this paragraph, "tenant representative" includes the secretary of the senate, on behalf of the senate; the chief clerk of the house of representatives, on behalf of the house of representatives; the governor; the court administrator, on behalf of the judicial branch; and the attorney general, on behalf of the attorney general's office.

(b) The commissioner of administration must not install new windows in the Capitol building office spaces that cannot be opened by the tenants of the building, unless otherwise approved by a tenant occupying an office.

(c) The commissioner of administration shall consult and collaborate with the director of the Historical Society on plans and specifications for construction authorized under subdivision 2.

#### **Subd. 4. Legislative Office Building**

The plans and specifications for a new legislative office building as provided in 2013 H. F. No. 677, article 12, section 21, are subject to approval by the house Committee on Rules and Legislative Administration in addition to approval by the senate Committee on Rules and Administration.

#### **Subd. 5. Parking Facilities**

22,680,000

To design, construct, furnish, and equip one or more parking facilities in the Capitol complex to accommodate up to approximately 880 parking stalls, with a net replacement of approximately 675 parking stalls, including to address temporary parking needed during construction of permanent parking facilities.

Notwithstanding any other provision of law, any parking facility proposed to be located on state-owned land located on the block bordered by Sherburne Avenue on the north, Park Street on the east, University Avenue on the south, and Rice Street on the west, must not require demolition of the historic Ford Building unless approved by the house Committee on Rules and Legislative Administration and the senate Committee on Rules and Administration. The parking facilities must accommodate the needs of members and staff of the house of representatives as well as other tenants of the Capitol complex.

The parking facilities developed with this appropriation are exempt from the requirements for design competition under Minnesota Statutes, section 15B.10.

Notwithstanding any law to the contrary, under Minnesota Statutes, sections 16C.32 and 16C.33, if the commissioner elects to utilize a design-build delivery method to design and construct one or more parking facilities with this appropriation, the Capital Area Architectural and Planning Board, in cooperation with the commissioner, shall create a selection committee to act as the board under Minnesota Statutes, sections 16C.32 and 16C.33. Notwithstanding Minnesota Statutes, section 16B.33, if the commissioner elects to contract with a primary designer to design one or more parking facilities with this appropriation, the Capital Area Architectural and Planning Board, in cooperation with the commissioner, shall create a selection committee to conduct the selection process in accordance with the standards in Minnesota Statutes, chapters 15B and 16B. Notwithstanding Minnesota Statutes, section 16C.33, subdivision 5, paragraph (b), after obtaining and evaluating qualifications from each design-builder, in accordance with the weighted criteria and subequatorial and procedures set forth in the request for qualifications, the selection committee shall select a short list of up to five proposals.

If the commissioner does not receive any proposals, the commissioner may either (1) solicit new proposals, (2) revise the request for qualifications and thereafter solicit new proposals using the revised request for qualifications, or (3) request selection of a primary designer pursuant to Minnesota Statutes, section 16B.33, 16C.08, or 16C.095, and proceed with competitive bidding pursuant to Minnesota Statutes, sections 16C.25 to 16C.29.

The bond debt from the appropriation under this subdivision shall be user-financed. Parking fees collected shall be deposited into a state parking account and credited to the debt service account in the state bond fund as provided under Minnesota Statutes, section 16A.643.

Sec. 4. **VETERANS AFFAIRS**

**\$18,935,000**

To the commissioner of administration to complete the design of, perform hazardous materials abatement for, and demolish the south wing of Building 17 and adjoining buildings, and design, reconstruct, and furnish the new south wing of Building 17 and adjoining buildings as a new skilled nursing building, construct a new distribution and service tunnel to serve buildings 6, 17 north, and 19, and the future 17 south, and design, construct, and equip a network and server room, including installation of new fiber optic lines.

Sec. 5. **PUBLIC FACILITIES AUTHORITY****\$8,000,000**

To the Public Facilities Authority to match federal grants for the clean water revolving fund under Minnesota Statutes, section 446A.07, and the drinking water revolving fund under Minnesota Statutes, section 446A.081. This appropriation must be used for qualified capital projects.

Sec. 6. **BOND SALE EXPENSES****\$180,000**

To the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Sec. 7. **BOND SALE SCHEDULE.**

The commissioner of management and budget shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2015, no more than \$1,280,165,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of management and budget shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 8. **BOND SALE AUTHORIZATION.**

To provide the money appropriated in this act from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$178,795,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 9. **CANCELLATION; BOND SALE AUTHORIZATION REDUCTION.**

The \$2,000,000 appropriation in Laws 2009, chapter 93, article 1, section 11, subdivision 7, for the Alexandria aircraft surveillance facility, is canceled. The bond sale authorization in Laws 2009, chapter 93, article 1, section 21, subdivision 1, is reduced by \$2,000,000.

Sec. 10. Laws 2002, chapter 393, section 22, subdivision 6, as amended by Laws 2005, chapter 20, article 1, section 43, is amended to read:

Subd. 6. **Fergus Falls Regional Treatment Center**

3,000,000

To design, renovate, construct, furnish, and equip ancillary support and program facilities, including improvements to basic infrastructure, such as sanitary and storm sewer and water lines, public streets, curb, gutter, street lights, or sidewalks, to make improvements for building envelope and structural integrity for the purposes of stabilizing the buildings for sale, for hazardous materials abatement, and for demolition that will facilitate the relocation of the facility's ancillary support, treatment, and

~~residential programs from the Corkboard buildings and of all or portions of surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure to facilitate the disposition~~ redevelopment of the Fergus Falls Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds in this subdivision are available until December 31, 2016.

Sec. 11. Laws 2005, chapter 20, article 1, section 20, subdivision 3, as amended by Laws 2006, chapter 258, section 47, is amended to read:

**Subd. 3. Systemwide Redevelopment, Reuse, or Demolition**

17,600,000

To demolish or improve surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses statewide.

(a) Up to \$8,600,000 may be used to predesign, design, construct, furnish, and equip renovation of existing space or construction of new space for skilled nursing home capacity for forensic treatment programs operated by state-operated services on the campus of St. Peter Regional Treatment Center.

(b) \$4,000,000 may be used to prepare and develop a site, including demolition of buildings and infrastructure, to implement the redevelopment and reuse of the Ah-gwah-ching Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

Up to \$400,000 may be used for a grant to the city of Walker to connect the water reservoir to the city.

(c) \$1,000,000 may be used to renovate one or more buildings for chemical dependency treatment specializing in methamphetamine addiction, and demolish buildings, on the Willmar Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

(d) Up to \$2,210,000 may be spent by the commissioner of finance to retire municipal bonds issued by the city of Fergus Falls and to retire interfund loans incurred by the city of Fergus Falls in

connection with the waste incinerator and steam heating facility at the Fergus Falls Regional Treatment Center. \$447,610 of unexpended nonsalary money from state-operated services may be transferred as a grant to the city of Fergus Falls to retire interfund loans incurred by the city of Fergus Falls in connection with the waste incinerator and steam heating facility at the Fergus Falls Regional Treatment Center. This money is only available upon satisfactory completion of implementation of the final master plan agreement, as approved by the Department of Administration, the Department of Human Services, and the city of Fergus Falls.

(e) Up to \$400,000 may be used for a grant to the city of Fergus Falls for hazardous materials abatement, improvements to basic infrastructure, including sanitary and storm sewer and water lines, public streets, curb, gutter, street lights, or sidewalks, to make improvements for building envelope and structural integrity for the purposes of stabilizing the buildings for sale, and to demolish all or portions of surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure to facilitate redevelopment of the city's waste to energy incineration plant located on the grounds of the Fergus Falls Regional Treatment Center campus.

Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds in this paragraph are available until December 31, 2016.

(f) The provisions, terms, and conditions of any grant made by the director of the Office of Environmental Assistance under Minnesota Statutes, chapter 115A, to the city of Fergus Falls for the waste incinerator steam heating facility that supports the Fergus Falls Regional Treatment Center and that may come into effect as a result of the incinerator and facility being closed, are hereby waived.

Sec. 12. Laws 2006, chapter 258, section 17, subdivision 8, as amended by Laws 2008, chapter 179, section 64, and Laws 2011, First Special Session chapter 12, section 30, is amended to read:

**Subd. 8. Metropolitan Regional Parks Capital Improvements**

35,362,000

For the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority must be given to park rehabilitation and land acquisition projects.

\$300,000 is for a grant to the city of Bloomington for environmental analysis and review, design, and ~~construction of a multimodal trail connection across or through Long Meadow Lake in the vicinity of the old Cedar Avenue bridge and for development~~

~~of a segment of the Minnesota Valley State Trail from Fort Snelling State Park to the Long Meadow Lake crossing to serve as a hiking and bicycling trail connection to renovate and restore, or to replace, the Old Cedar Avenue Bridge for bicycle commuters and recreational users. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until December 31, 2017.~~

\$6,000,000 is for a grant to the county of Dakota to acquire land for a regional park and wildlife area adjacent to the Vermillion Highlands Research, Recreation, and Wildlife Management Area in Dakota County.

\$1,800,000 is for a grant to the city of Minneapolis to complete land acquisition for and construction of the Cedar Lake Trail.

\$3,500,000 is for a grant to the Minneapolis Park and Recreation Board to design, construct, furnish, and equip a new cultural and community center in the East Phillips neighborhood in Minneapolis.

\$250,000 is for a grant to the Minneapolis Park and Recreation Board to predesign completion of the Grand Rounds National Scenic Byway by providing a link between northeast Minneapolis on Stinson Avenue and Southeast Minneapolis at East River Road.

\$2,500,000 is for a grant to the Minneapolis Park and Recreation Board to mitigate flooding at Lake of the Isles in the city of Minneapolis. The grant must be used for shoreline stabilization and restoration, dredging, wetland replacement, and other infrastructure improvements necessary to deal with the 1997 flood damage and to prevent future flooding.

\$321,000 is for a grant to Ramsey County to construct a bicycle and pedestrian trail on the north side of Lower Afton Road between Century Avenue and McKnight Road in the city of Maplewood. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

\$9,000,000 is for a grant to the city of St. Paul to predesign, design, construct, furnish, equip, and redevelop infrastructure at the Como Zoo.

\$2,500,000 is for a grant to the city of St. Paul to acquire land for and to predesign, design, construct, furnish, and equip river park development and redevelopment infrastructure in National Great River Park along the Mississippi River in St. Paul.

\$2,000,000 is for a grant to the city of South St. Paul for the closure, capping, and remediation of approximately 80 acres of the Port Crosby construction and demolition debris landfill in South

St. Paul, as the fifth phase of converting the land into parkland, and to restore approximately 80 acres of riverfront land along the Mississippi River.

\$191,000 is for a grant to the city of White Bear Lake to construct the Lake Avenue Regional Trail connecting Highway 96 Regional Trail with Ramsey Beach.

Sec. 13. Laws 2006, chapter 258, section 18, subdivision 6, is amended to read:

**Subd. 6. Systemwide Redevelopment, Reuse, or Demolition**

5,000,000

To abate hazardous materials, design, construct, or improve basic infrastructure, including sanitary and storm sewer and water lines, public streets, curb, gutter, street lights, or sidewalks, to make improvements for building envelope and structural integrity for the purposes of stabilizing the buildings for sale, demolish all or portions of surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure at to facilitate redevelopment of Department of Human Services campuses that the commissioner of administration is authorized to convey to a local unit of government under Laws 2005, chapter 20, article 1, section 46, or other law. These projects must facilitate the redevelopment or reuse of these campuses and must be implemented consistent with the comprehensive redevelopment plans developed and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2, unless expressly provided otherwise. If a surplus campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to that local unit of government for the purposes stated in this subdivision. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds in this subdivision are available until December 31, 2016.

Sec. 14. Laws 2008, chapter 179, section 21, subdivision 3, is amended to read:

**Subd. 3. Bioscience Business Development Public Infrastructure Grant Program**

9,000,000

For grants under Minnesota Statutes, section 116J.435.

\$3,500,000 is for public infrastructure, including land acquisition, to support a private research park within a designated bioscience subzone that is adjacent to and complementary to research facilities of a college or university. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until June 30, 2015.

\$1,000,000 is for a grant to the city of Worthington for public infrastructure to support an agricultural-based bioscience training and testing center for incubator firms developing new agricultural processes and products.

Sec. 15. Laws 2008, chapter 365, section 4, subdivision 3, as amended by Laws 2010, chapter 189, section 58, and Laws 2011, First Special Session chapter 12, section 36, is amended to read:

**Subd. 3. Old Cedar Avenue Bridge** 2,000,000

For a grant to the city of Bloomington for environmental analysis and review, design, and ~~construction of a multimodal trail connection across or through Long Meadow Lake in the vicinity of the old Cedar Avenue Bridge and for development of a segment of the Minnesota Valley State Trail from Fort Snelling State Park to the Long Meadow Lake crossing to renovate and restore, or to replace, the old Cedar Avenue Bridge~~ for bicycle commuters and recreational users. This appropriation is added to the appropriation in Laws 2006, chapter 258, section 17, subdivision 8, as amended. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until December 31, 2017.

Sec. 16. Laws 2010, chapter 189, section 16, subdivision 4, as amended by Laws 2011, First Special Session chapter 12, section 45, is amended to read:

**Subd. 4. Metropolitan Regional Parks and Trails Capital Improvements**

**(a) Metropolitan Council Priorities** 10,500,000

For the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority must be given to park rehabilitation and land acquisition projects. This appropriation must not be used to purchase easements.

**(b) Como Zoo** 11,000,000

For a grant to the city of St. Paul to predesign, design, construct, furnish, and equip phase 2 renovation of exhibits at the Como Zoo.

**(d) Old Cedar Avenue Bridge** 1,000,000

For a grant to the city of Bloomington for environmental analysis and review, design, and ~~construction of a multimodal trail connection across or through Long Meadow Lake in the vicinity of the Old Cedar Avenue Bridge and for development of a segment of the Minnesota Valley State Trail from Fort Snelling State Park to~~

the Long Meadow Lake crossing to renovate and restore, or to replace, the old Cedar Avenue Bridge for bicycle commuters and recreational users. The city of Bloomington must consult with the city of Eagan and Dakota County on the renovation project. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until December 31, 2017.

This appropriation is added to the appropriation in Laws 2008, chapter 365, section 4, subdivision 3, as amended by this act.

**(f) Rock Island Bridge Park and Trail Development** 1,000,000

For a grant to the city of Inver Grove Heights for park and trail development on the west bank of the Mississippi River in Dakota County at the site of Mississippi River Bridge JAR 5600, commonly known as the Rock Island Bridge. Any park or trails developed with this appropriation must connect with any local, regional, or state trails in the vicinity, and the historic Rock Island Bridge.

**(i) Veterans Memorial Parks** 2,000,000

For a grant to the Minneapolis Park and Recreation Board to: (1) design and construct an appropriate monument in Sheridan Veterans Memorial Park on the Mississippi River in Minneapolis to memorialize the war service of Minnesota veterans of all wars; and (2) match money provided by Hennepin County to restore the flagpole monument and plaza, and make other infrastructure improvements of a capital nature for the Veterans of World War I Victory Memorial Parkway, consistent with Hennepin County's planned infrastructure improvements.

Sec. 17. Laws 2011, First Special Session chapter 12, section 10, is amended to read:

**Sec. 10. ENTERPRISE TECHNOLOGY** \$5,659,000

To the commissioner of administration to predesign, design, construct, renovate, furnish, and equip certain existing state data center facilities ~~and decommission certain other existing state data center~~ for the purpose of decommissioning and repurposing or for maximizing capacity and utilization of such facilities.

**Sec. 18. CAPITOL RESTORATION; COLLECTION OF RENT.**

Notwithstanding Minnesota Statutes, section 16B.24, subdivision 5, paragraph (d), the commissioner of administration shall not collect rent to recover bond interest costs or building depreciation costs for any appropriations utilized for the restoration of the State Capitol campus, between calendar years 2012 and 2017.

Sec. 19. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to capital improvements; appropriating money to acquire and better public land and buildings and other improvements of a capital nature; authorizing the sale and issuance of state bonds; modifying and cancelling prior appropriations; amending Laws 2002, chapter 393, section 22, subdivision 6, as amended; Laws 2005, chapter 20, article 1, section 20, subdivision 3, as amended; Laws 2006, chapter 258, sections 17, subdivision 8, as amended; 18, subdivision 6; Laws 2008, chapter 179, section 21, subdivision 3; Laws 2008, chapter 365, section 4, subdivision 3, as amended; Laws 2010, chapter 189, section 16, subdivision 4, as amended; Laws 2011, First Special Session chapter 12, section 10."

The motion prevailed and the amendment was adopted.

H. F. No. 1070, A bill for an act relating to capital improvements; appropriating money to acquire and better public land and buildings and other improvements of a capital nature; authorizing the sale and issuance of state bonds; modifying and cancelling prior appropriations; amending Laws 2002, chapter 393, section 22, subdivision 6, as amended; Laws 2005, chapter 20, article 1, section 20, subdivision 3, as amended; Laws 2006, chapter 258, sections 17, subdivision 8, as amended; 18, subdivision 6; Laws 2008, chapter 179, section 21, subdivision 3; Laws 2008, chapter 365, section 4, subdivision 3, as amended; Laws 2010, chapter 189, section 16, subdivision 4, as amended; Laws 2011, First Special Session chapter 12, section 10.

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 121 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Holberg	Lohmer	O'Neill	Slocum
Albright	Dill	Hoppe	Loon	Paymar	Sundin
Allen	Dorholt	Hornstein	Mack	Pelowski	Swedzinski
Anderson, P.	Drazkowski	Hortman	Marquart	Peppin	Theis
Anzelc	Erhardt	Howe	Masin	Persell	Torkelson
Atkins	Erickson, S.	Huntley	McDonald	Petersburg	Uglen
Barrett	Fabian	Isaacson	McNamar	Poppe	Urdahl
Beard	Falk	Johnson, B.	McNamara	Pugh	Wagenius
Benson, J.	Faust	Johnson, C.	Melin	Quam	Ward, J.A.
Benson, M.	Fischer	Johnson, S.	Metsa	Radinovich	Ward, J.E.
Bernardy	Franson	Kahn	Moran	Rosenthal	Wills
Bly	Freiberg	Kelly	Morgan	Runbeck	Winkler
Brynaert	Fritz	Kiel	Mullery	Sanders	Woodard
Carlson	Green	Kresha	Murphy, E.	Savick	Yarusso
Clark	Gruenhagen	Laine	Murphy, M.	Sawatzky	Zellers
Cornish	Gunther	Leidiger	Myhra	Schoen	Spk. Thissen
Daudt	Halverson	Lenczewski	Nelson	Schomacker	
Davids	Hamilton	Lesch	Newton	Scott	
Davnie	Hansen	Lien	Nornes	Selcer	
Dean, M.	Hertaus	Lillie	Norton	Simon	
Dehn, R.	Hilstrom	Loeffler	O'Driscoll	Simonson	

Those who voted in the negative were:

Anderson, M.	FitzSimmons	Hackbarth	Liebling	Newberger
Anderson, S.	Garofalo	Kieffer	Mahoney	Zerwas

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

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

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1070, A bill for an act relating to capital investment; appropriating money for public housing rehabilitation; authorizing bonds under the housing infrastructure bonds program; authorizing sale and issuance of state bonds; amending Minnesota Statutes 2012, section 462A.37, subdivisions 2, 4.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1589.

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

JOANNE M. ZOFF, Secretary of the Senate

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1589

A bill for an act relating to the operation of state government finance; allowing the secretary of state authority to accept funds from local government units for election systems enhancements and to receive certain funds for the address confidentiality program; allowing the state auditor to charge a onetime user fee for a small city and town accounting system software; changing provisions for bid solicitations and proposals; changing certain provisions for service contracts and the solicitation process; requiring a determination of the IT cost for agency technology projects; expanding E-Government initiative and establishing the E-Government Advisory Council; changing certain audit provisions from the state auditor to the legislative auditor; repealing the Minnesota Sunset Act; changing provisions for barbering and cosmetology; changing licensing provisions for accountants; changing a paid military

leave provision; modifying provisions in the Veterans Service Office grant program; changing provision in the Minnesota GI Bill program; establishing a veterans home in Beltrami County; making Department of Revenue changes; making compensation council changes and requiring a compensation study; adjusting certain salary groups; establishing administrative penalties; establishing fees; appropriating money; amending Minnesota Statutes 2012, sections 3.099, subdivision 1; 3.855, subdivision 3; 13.591, subdivision 3; 15A.0815, subdivisions 1, 2, 3, 5; 15A.082, subdivision 2; 16A.82; 16C.02, subdivision 13; 16C.06, subdivision 2; 16C.09; 16C.10, subdivision 6; 16C.145; 16C.33, subdivision 3; 16C.34, subdivision 1; 16E.07, by adding a subdivision; 32C.04; 43A.17, subdivisions 1, 3; 65B.84, subdivision 1; 154.001, by adding a subdivision; 154.003; 154.02; 154.05; 154.06; 154.065, subdivision 2; 154.07, subdivision 1; 154.08; 154.09; 154.10, subdivision 1; 154.11, subdivision 1; 154.12; 154.14; 154.15, subdivision 2; 154.26; 155A.23, subdivision 3; 155A.25, subdivisions 1a, 4; 155A.27, subdivisions 4, 7, 10; 155A.29, subdivision 2; 155A.30, subdivision 1, by adding subdivisions; 192.26; 197.608, subdivisions 1, 3, 4, 5, 6; 197.791, subdivisions 4, 5; 254A.035, subdivision 2; 254A.04; 256B.093, subdivision 1; 260.835, subdivision 2; 270C.69, subdivision 1; 289A.20, subdivisions 2, 4; 289A.26, subdivision 2a; 295.55, subdivision 4; 297F.09, subdivision 7; 297G.09, subdivision 6; 297L.30, by adding a subdivision; 297L.35, subdivision 2; 326A.04, subdivisions 2, 3, 5, 7; 326A.10; 469.3201; 473.843, subdivision 3; Laws 2012, chapter 278, article 1, section 5; article 2, sections 27; 34; proposing coding for new law in Minnesota Statutes, chapters 4; 5; 5B; 6; 16E; 154; 155A; 198; 297I; repealing Minnesota Statutes 2012, sections 3D.01; 3D.02; 3D.03; 3D.04; 3D.045; 3D.05; 3D.06; 3D.065; 3D.07; 3D.08; 3D.09; 3D.10; 3D.11; 3D.12; 3D.13; 3D.14; 3D.15; 3D.16; 3D.17; 3D.18; 3D.19; 3D.20; 3D.21, subdivisions 2, 3, 4, 5, 6, 7, 8; 43A.17, subdivision 4; 155A.25, subdivision 1; 168A.40, subdivisions 3, 4; 197.608, subdivision 2a; 270C.145; 326A.03, subdivisions 2, 5, 8; Laws 2012, chapter 278, article 1, section 6; Minnesota Rules, parts 1105.0600; 1105.2550; 1105.2700.

May 19, 2013

The Honorable Sandra L. Pappas  
President of the Senate

The Honorable Paul Thissen  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1589 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1589 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
STATE GOVERNMENT APPROPRIATIONS

Section 1. **STATE GOVERNMENT APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015.



Sec. 3. **GOVERNOR AND LIEUTENANT GOVERNOR****\$3,353,000****\$3,353,000**

(a) This appropriation is to fund the Office of the Governor and Lieutenant Governor.

(b) \$19,000 the first year and \$19,000 the second year are for necessary expenses in the normal performance of the Governor's and Lieutenant Governor's duties for which no other reimbursement is provided.

(c) By September 1 of each year, the commissioner of management and budget shall report to the chairs and ranking minority members of the senate State Departments and Veterans Affairs Budget Division and the house of representatives State Government Finance Committee any personnel costs incurred by the Offices of the Governor and Lieutenant Governor that were supported by appropriations to other agencies during the previous fiscal year. The Office of the Governor shall inform the chairs and ranking minority members of the committees before initiating any interagency agreements.

Sec. 4. **STATE AUDITOR****\$2,070,000****\$2,121,000**Sec. 5. **ATTORNEY GENERAL****\$24,342,000****\$24,342,000**Appropriations by Fund

	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>22,125,000</u>	<u>22,125,000</u>
<u>State Government Special</u>		
<u>Revenue</u>	<u>1,822,000</u>	<u>1,822,000</u>
<u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
<u>Remediation</u>	<u>250,000</u>	<u>250,000</u>

Of this appropriation, \$65,000 in the first year and \$65,000 in the second year are from the general fund for transfer to the commissioner of public safety for a grant to the Minnesota County Attorneys Association for prosecutor and law enforcement training.

Sec. 6. **SECRETARY OF STATE****\$5,938,000****\$6,583,000**

Any funds available in the account established in Minnesota Statutes, section 5.30, pursuant to the Help America Vote Act, is appropriated for the purposes and uses authorized by federal law.

**Redistricting Case.** \$355,000 the first year is appropriated to the secretary of state to be used to pay attorney fees as ordered by the court in the legislative and congressional redistricting case Hippert et al. v. Ritchie et al., A11-152, and interest thereon. This appropriation is available for expenditure the day following final enactment.

Sec. 7. <b><u>CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD</u></b>	<b><u>\$1,000,000</u></b>	<b><u>\$1,000,000</u></b>
Sec. 8. <b><u>INVESTMENT BOARD</u></b>	<b><u>\$139,000</u></b>	<b><u>\$139,000</u></b>
Sec. 9. <b><u>ADMINISTRATIVE HEARINGS</u></b>	<b><u>\$7,732,000</u></b>	<b><u>\$7,506,000</u></b>

Appropriations by Fund

	<u>2014</u>	<u>2015</u>
General	<u>482,000</u>	<u>256,000</u>
Workers' Compensation	<u>7,250,000</u>	<u>7,250,000</u>

**Campaign Violations Hearings.** (a) \$130,000 the first year is appropriated from the general fund for the cost of considering complaints filed under Minnesota Statutes, section 211B.32. Any amount of this appropriation that remains unspent at the end of the biennium must be canceled to the general account of the state elections campaign fund. The base for fiscal year 2016 is \$130,000, to be available for the biennium, under the same terms.

(b) \$60,000 the first year is appropriated from the general fund to cover the fiscal year 2013 costs of campaign violations hearings. This is a onetime appropriation.

**Data Practices Hearings.** \$36,000 the first year is appropriated from the general fund to cover the fiscal year 2013 costs for data practices hearings.

Sec. 10. <b><u>OFFICE OF ENTERPRISE TECHNOLOGY</u></b>	<b><u>\$2,431,000</u></b>	<b><u>\$2,431,000</u></b>
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During the biennium ending June 30, 2015, the Office of Enterprise Technology must not charge fees to a public noncommercial educational television broadcast station eligible for funding under Minnesota Statutes, chapter 129D, for access to the state broadcast infrastructure. If the access fees not charged to public noncommercial educational television broadcast stations total more than \$400,000 for the biennium, the office may charge for access fees in excess of these amounts.

The commissioner of Minnesota management and budget is authorized to provide cash flow assistance of up to \$110,000,000 from the special revenue fund or other statutory general funds as defined in Minnesota Statutes, section 16A.671, subdivision 3, paragraph (a), to the Office of Enterprise Technology for the purpose of managing revenue and expenditure differences during the initial phases of IT consolidation. These funds shall be repaid with interest by June 30, 2015.

Sec. 11. **ADMINISTRATION**Subdivision 1. **Total Appropriation****\$20,532,000****\$20,202,000**

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Government and Citizen Services**7,698,0007,668,000

\$74,000 the first year and \$74,000 the second year are for the Council on Developmental Disabilities.

**Nellie Stone Johnson bust or statue.** \$30,000 is to place a bust or statue of Nellie Stone Johnson in the State Capitol Building. This appropriation is contingent on receipt of an equal nonstate match. The commissioner must follow the process in Minnesota Statutes, sections 138.67 to 138.70, in the acquisition and placement of the bust or statue. This appropriation is available until expended.

Subd. 3. **Strategic Management Services**1,757,0001,757,000Subd. 4. **Fiscal Agent**11,077,00010,777,000

The appropriations under this section are to the commissioner of administration for the purposes specified.

**In-Lieu of Rent.** \$8,158,000 the first year and \$8,158,000 the second year are for space costs of the legislature and veterans organizations, ceremonial space, and statutorily free space.

**Public Broadcasting.** (a) \$1,550,000 the first year and \$1,550,000 the second year are for matching grants for public television.

(b) \$250,000 the first year and \$250,000 the second year are for public television equipment grants.

(c) The equipment or matching grants in paragraphs (a) and (b) must be allocated after considering the recommendations of the Minnesota Public Television Association.

(d) \$392,000 the first year and \$392,000 the second year are for community service grants to public educational radio stations. This appropriation may be used to disseminate emergency information in foreign languages.

(e) \$117,000 the first year and \$117,000 the second year are for equipment grants to public educational radio stations. This appropriation may be used for the repair, rental, and purchase of equipment including equipment under \$500.

(f) The grants in paragraphs (d) and (e) must be allocated after considering the recommendations of the Association of Minnesota Public Education Radio Stations under Minnesota Statutes, section 129D.14.

(g) \$610,000 the first year and \$310,000 the second year are for equipment grants to Minnesota Public Radio, Inc., including upgrades to Minnesota's Emergency Alert and AMBER Alert Systems.

(h) Any unencumbered balance remaining the first year for grants to public television or radio stations does not cancel and is available for the second year.

Sec. 12. **CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD**

**\$335,000**

**\$335,000**

Sec. 13. **MINNESOTA MANAGEMENT AND BUDGET**

**\$28,144,000**

**\$20,369,000**

**Statewide Budget System.** \$4,500,000 for the biennium is to continue development of the new statewide budget system and to develop new capabilities including, but not limited to, capital budget and fiscal notes.

Sec. 14. **REVENUE**

Subdivision 1. **Total Appropriation**

**\$140,673,000**

**\$140,137,000**

Appropriations by Fund

	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>136,438,000</u>	<u>135,902,000</u>
<u>Health Care Access</u>	<u>1,749,000</u>	<u>1,749,000</u>
<u>Highway User Tax</u>		
<u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
<u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

Subd. 2. **Tax System Management**

**112,057,000**

**111,521,000**

Appropriations by Fund

<u>General</u>	<u>107,822,000</u>	<u>107,286,000</u>
<u>Health Care Access</u>	<u>1,749,000</u>	<u>1,749,000</u>
<u>Highway User Tax</u>		
<u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
<u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

**County Technical Assistance Grants.** (a) The commissioner of revenue may make technical assistance grants to counties to fund development, implementation, or maintenance of data collection

and data processing systems that will facilitate improved reporting of property tax data on parcels and portions of parcels to the commissioner for analytical and administrative use. The grants may be made in the order they are requested, or on some other basis determined by the commissioner. The commissioner shall determine whether to require an application or recipient agreement and shall determine the form and content of the application or agreement.

(b) \$300,000 is appropriated to the commissioner from the general fund in fiscal year 2014 to make grants to counties as provided in this section. This appropriation is available for fiscal years 2014 and 2015 only, and does not become part of the base.

**Appropriation; Taxpayer Assistance.** (a) \$200,000 in fiscal year 2014, and \$200,000 in fiscal year 2015, are added to the base appropriation of \$200,000 each year. These amounts are appropriated from the general fund to the commissioner of revenue to make grants to one or more nonprofit organizations, qualifying under section 501(c)(3) of the Internal Revenue Code of 1986, to coordinate, facilitate, encourage, and aid in the provision of taxpayer assistance services. The unencumbered balance in the first year does not cancel but is available for the second year.

(b) For purposes of this section, "taxpayer assistance services" means accounting and tax preparation services provided by volunteers to low-income, elderly, and disadvantaged Minnesota residents to help them file federal and state income tax returns and Minnesota property tax refund claims and to provide personal representation before the Department of Revenue and Internal Revenue Service.

Subd. 3. <b><u>Debt Collection Management</u></b>	<b><u>28,616,000</u></b>	<b><u>28,616,000</u></b>
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Sec. 15. <b><u>GAMBLING CONTROL</u></b>	<b><u>\$3,959,000</u></b>	<b><u>\$3,959,000</u></b>
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These appropriations are from the lawful gambling regulation account in the special revenue fund.

Sec. 16. <b><u>RACING COMMISSION</u></b>	<b><u>\$899,000</u></b>	<b><u>\$899,000</u></b>
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These appropriations are from the racing and card playing regulation accounts in the special revenue fund.

Sec. 17. <b><u>STATE LOTTERY</u></b>		
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Notwithstanding Minnesota Statutes, section 349A.10, subdivision 3, the operating budget must not exceed \$30,500,000 in fiscal year 2014 and \$30,500,000 in fiscal year 2015.

Sec. 18. <u>AMATEUR SPORTS COMMISSION</u>	<u>\$266,000</u>	<u>\$266,000</u>
Sec. 19. <u>COUNCIL ON BLACK MINNESOTANS</u>	<u>\$392,000</u>	<u>\$392,000</u>
Sec. 20. <u>COUNCIL ON ASIAN-PACIFIC MINNESOTANS</u>	<u>\$354,000</u>	<u>\$354,000</u>
Sec. 21. <u>COUNCIL ON AFFAIRS OF CHICANO/LATINO PEOPLE</u>	<u>\$375,000</u>	<u>\$375,000</u>
Sec. 22. <u>INDIAN AFFAIRS COUNCIL</u>	<u>\$562,000</u>	<u>\$562,000</u>
Sec. 23. <u>MINNESOTA HISTORICAL SOCIETY</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$21,783,000</u>	<u>\$21,649,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Operations and Programs</u>	<u>21,335,000</u>	<u>21,335,000</u>
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Notwithstanding Minnesota Statutes, section 138.668, the Minnesota Historical Society may not charge a fee for its general tours at the Capitol, but may charge fees for special programs other than general tours.

Subd. 3. Fiscal Agent

(a) <u>Minnesota International Center</u>	<u>39,000</u>	<u>39,000</u>
(b) <u>Minnesota Air National Guard Museum</u>	<u>34,000</u>	<u>-0-</u>
(c) <u>Minnesota Military Museum</u>	<u>160,000</u>	<u>60,000</u>

Of this amount, \$60,000 each year is for an archivist staff position. The base for fiscal year 2016 is \$100,000.

(d) <u>Farmamerica</u>	<u>115,000</u>	<u>115,000</u>
(e) <u>Hockey Hall of Fame</u>	<u>100,000</u>	<u>100,000</u>

**Balances Forward.** Any unencumbered balance remaining in this subdivision the first year does not cancel but is available for the second year of the biennium.

Sec. 24. BOARD OF THE ARTS

Subdivision 1. <u>Total Appropriation</u>	<u>\$7,514,000</u>	<u>\$7,514,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Operations and Services</u>	<u>575,000</u>	<u>575,000</u>
Subd. 3. <u>Grants Program</u>	<u>4,800,000</u>	<u>4,800,000</u>
Subd. 4. <u>Regional Arts Councils</u>	<u>2,139,000</u>	<u>2,139,000</u>

**Unencumbered Balance Available.** Any unencumbered balance remaining in this section the first year does not cancel, but is available for the second year of the biennium.

**Projects located in Minnesota; travel restriction.** Money appropriated in this section and distributed as grants may only be spent on projects located in Minnesota. A recipient of a grant funded by an appropriation in this section must not use more than ten percent of the total grant for costs related to travel outside the state of Minnesota.

Sec. 25. <u>MINNESOTA HUMANITIES CENTER</u>	<u>\$291,000</u>	<u>\$251,000</u>
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\$40,000 the first year is for a grant to Everybody Wins!-Minnesota, a Minnesota 501(c)(3) corporation, to operate a reading program for Minnesota children.

Sec. 26. <u>SCIENCE MUSEUM OF MINNESOTA</u>	<u>\$1,079,000</u>	<u>\$1,079,000</u>
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Sec. 27. <u>GENERAL CONTINGENT ACCOUNTS</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
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Appropriations by Fund

	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>500,000</u>	<u>-0-</u>
<u>State Government Special</u>		
<u>Revenue</u>	<u>400,000</u>	<u>400,000</u>
<u>Workers' Compensation</u>	<u>100,000</u>	<u>100,000</u>

(a) The appropriations in this section may only be spent with the approval of the governor after consultation with the Legislative Advisory Commission pursuant to Minnesota Statutes, section 3.30.

(b) If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

(c) If a contingent account appropriation is made in one fiscal year, it should be considered a biennial appropriation.

Sec. 28. <u>TORT CLAIMS</u>	<u>\$161,000</u>	<u>\$161,000</u>
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These appropriations are to be spent by the commissioner of management and budget according to Minnesota Statutes, section 3.736, subdivision 7. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 29. **MINNESOTA STATE RETIREMENT SYSTEM**Subdivision 1. **Total Appropriation****\$3,891,000****\$3,964,000**

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Legislators**3,406,0003,475,000

Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.115.

Subd. 3. **Constitutional Officers**485,000489,000

Under Minnesota Statutes, section 352C.001, if an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 30. **MINNEAPOLIS EMPLOYEES RETIREMENT FUND DIVISION ACCOUNT****\$24,000,000****\$24,000,000**

These amounts are estimated to be needed under Minnesota Statutes, section 353.505.

Sec. 31. **TEACHERS RETIREMENT ASSOCIATION****\$15,454,000****\$15,454,000**

The amounts estimated to be needed are as follows:

**Special Direct State Aid.** \$12,954,000 the first year and \$12,954,000 the second year are for special direct state aid authorized under Minnesota Statutes, section 354A.12, subdivisions 3a and 3c.

**Special Direct State Matching Aid.** \$2,500,000 the first year and \$2,500,000 the second year are for special direct state matching aid authorized under Minnesota Statutes, section 354.435.

Sec. 32. **ST. PAUL TEACHERS RETIREMENT FUND****\$2,827,000****\$2,827,000**

The amounts estimated to be needed for special direct state aid to first class city teachers retirement funds authorized under Minnesota Statutes, section 354A.12, subdivisions 3a and 3c.

Sec. 33. **DULUTH TEACHERS RETIREMENT FUND****\$346,000****\$346,000**

The amounts estimated to be needed for special direct state aid to first class city teachers retirement funds authorized under Minnesota Statutes, section 354A.12, subdivisions 3a and 3c.

Sec. 34. **MILITARY AFFAIRS**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$19,368,000</u></b>	<b><u>\$19,368,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Maintenance of Training Facilities</u></b>	<u>6,661,000</u>	<u>6,661,000</u>
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Subd. 3. <b><u>General Support</u></b>	<u>2,359,000</u>	<u>2,359,000</u>
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Subd. 4. <b><u>Enlistment Incentives</u></b>	<u>10,348,000</u>	<u>10,348,000</u>
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If appropriations for either year of the biennium are insufficient, the appropriation from the other year is available. The appropriations for enlistment incentives are available until expended.

Sec. 35. **VETERANS AFFAIRS**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$63,508,000</u></b>	<b><u>\$62,753,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Veterans Services</u></b>	<u>16,051,000</u>	<u>16,240,000</u>
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**Veterans Service Organizations.** \$353,000 each year is for grants to the following congressionally chartered veterans service organizations, as designated by the commissioner: Disabled American Veterans, Military Order of the Purple Heart, the American Legion, Veterans of Foreign Wars, Vietnam Veterans of America, AMVETS, and Paralyzed Veterans of America. This funding must be allocated in direct proportion to the funding currently being provided by the commissioner to these organizations.

**Minnesota Assistance Council for Veterans.** \$750,000 each year is for a grant to the Minnesota Assistance Council for Veterans to provide assistance throughout Minnesota to veterans and their families who are homeless or in danger of homelessness, including assistance with the following:

(1) utilities;

(2) employment; and

(3) legal issues.

The assistance authorized under this paragraph must be made only to veterans who have resided in Minnesota for 30 days prior to application for assistance and according to other guidelines

established by the commissioner. In order to avoid duplication of services, the commissioner must ensure that this assistance is coordinated with all other available programs for veterans.

**IT Upgrades.** \$618,000 in fiscal year 2014 and \$382,000 in fiscal year 2015 are to improve and modernize the department's information technology systems. These funds shall be transferred to the Office of Enterprise Technology. This is a onetime transfer and is available until spent.

**Veterans Cemetery in Fillmore County.** \$425,000 in fiscal year 2015 is for operation of the new veterans cemetery in Fillmore County. This amount is added to the program's base funding.

**Honor Guards.** \$200,000 each year is for compensation for honor guards at the funerals of veterans under Minnesota Statutes, section 197.231. This amount is added to the program's base funding.

**Minnesota GI Bill.** \$200,000 each year is for the costs of administering the Minnesota GI Bill postsecondary educational benefits, on-the-job training, and apprenticeship program under Minnesota Statutes, section 197.791. Of this amount, \$100,000 is for transfer to the Office of Higher Education.

**Gold Star Program.** \$100,000 each year is for administering the Gold Star Program for surviving family members of deceased veterans. This amount is added to the program's base funding.

**County Veterans Service Office.** \$1,100,000 each year is for funding the County Veterans Service Office grant program under Minnesota Statutes, section 197.608.

**Veterans Paramedic Apprenticeship Program.** All unspent funds, estimated to be \$110,000, from the Veterans Paramedic Apprenticeship Program, from the onetime appropriation under Laws 2009, chapter 79, article 13, section 7, are canceled to the general fund on July 1, 2013.

**Subd. 3. Veterans Homes**

47,457,000

46,513,000

**Veterans Homes Special Revenue Account.** The general fund appropriations made to the department may be transferred to a veterans homes special revenue account in the special revenue fund in the same manner as other receipts are deposited according to Minnesota Statutes, section 198.34, and are appropriated to the department for the operation of veterans homes facilities and programs.

**IT Upgrades.** \$2,472,000 in fiscal year 2014 and \$1,528,000 in fiscal year 2015 are to improve and modernize the department's information technology systems. These funds shall be transferred to the Office of Enterprise Technology. This is a onetime transfer and is available until spent.

**Maximize Federal Reimbursements.** The department will seek opportunities to maximize federal reimbursements of Medicare-eligible expenses and will provide annual reports to the commissioner of management and budget on the federal Medicare reimbursements received. Contingent upon future federal Medicare receipts, reductions to the homes' general fund appropriation may be made.

ARTICLE 2  
MINNESOTA SUNSET ACT

Section 1. Minnesota Statutes 2012, section 3.885, is amended by adding a subdivision to read:

**Subd. 11. Review of advisory groups.** (a) By September 1 of each odd-numbered year, the commission shall compile a list of executive branch advisory groups created in statute. The commission may develop a schedule for review of advisory groups, or may select particular groups for review. By December 31 of each odd-numbered year, the commission may make recommendations on the continuing need for certain advisory groups, and on any changes in laws governing a group that are needed to improve the group's efficiency and effectiveness.

(b) In conducting reviews of executive branch advisory groups, the commission shall consider:

(1) the mission of each group, and the extent to which the mission has been satisfied;

(2) the extent to which each advisory group is effective in allowing persons interested in the program or activity for which the group provides advice to have input into the operations of the state agency implementing the program or activity;

(3) the extent to which the existence of the advisory group provides state agencies with an efficient and effective means of obtaining expert advice and opinions;

(4) whether there are more efficient and effective methods of accomplishing the mission of the advisory group; and

(5) whether the work of the advisory group overlaps or duplicates the work of other groups.

Sec. 2. Minnesota Statutes 2012, section 254A.035, subdivision 2, is amended to read:

**Subd. 2. Membership terms, compensation, removal and expiration.** The membership of this council shall be composed of 17 persons who are American Indians and who are appointed by the commissioner. The commissioner shall appoint one representative from each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band, Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakanton Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern Range; Duluth Urban Indian Community; and two representatives from the Minneapolis Urban Indian Community and two from the St. Paul Urban Indian Community. The terms, compensation, and removal of American Indian Advisory Council members shall be as provided in section 15.059. The council expires June 30, 2014, ~~or in accordance with section 3D.21, whichever is later.~~

Sec. 3. Minnesota Statutes 2012, section 254A.04, is amended to read:

**254A.04 CITIZENS ADVISORY COUNCIL.**

There is hereby created an Alcohol and Other Drug Abuse Advisory Council to advise the Department of Human Services concerning the problems of alcohol and other drug dependency and abuse, composed of ten members. Five members shall be individuals whose interests or training are in the field of alcohol dependency and abuse; and five

members whose interests or training are in the field of dependency and abuse of drugs other than alcohol. The terms, compensation and removal of members shall be as provided in section 15.059. The council expires June 30, 2014, ~~or in accordance with section 3D.21, whichever is later.~~ The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years.

Sec. 4. Minnesota Statutes 2012, section 256B.093, subdivision 1, is amended to read:

Subdivision 1. **State traumatic brain injury program.** The commissioner of human services shall:

- (1) maintain a statewide traumatic brain injury program;
- (2) supervise and coordinate services and policies for persons with traumatic brain injuries;
- (3) contract with qualified agencies or employ staff to provide statewide administrative case management and consultation;
- (4) maintain an advisory committee to provide recommendations in reports to the commissioner regarding program and service needs of persons with brain injuries;
- (5) investigate the need for the development of rules or statutes for the brain injury home and community-based services waiver;
- (6) investigate present and potential models of service coordination which can be delivered at the local level; and
- (7) the advisory committee required by clause (4) must consist of no fewer than ten members and no more than 30 members. The commissioner shall appoint all advisory committee members to one- or two-year terms and appoint one member as chair. Notwithstanding section 15.059, subdivision 5, the advisory committee does not terminate until June 30, 2014, ~~or in accordance with section 3D.21, whichever is later.~~

Sec. 5. Minnesota Statutes 2012, section 260.835, subdivision 2, is amended to read:

Subd. 2. **Expiration.** Notwithstanding section 15.059, subdivision 5, the American Indian Child Welfare Advisory Council expires June 30, 2014, ~~or in accordance with section 3D.21, whichever is later.~~

Sec. 6. Laws 2012, chapter 278, article 1, section 5, is amended to read:

Sec. 5. **COUNCIL ON BLACK MINNESOTANS.**

The Office of the Legislative Auditor should conduct a financial audit of the Council on Black Minnesotans by December 1, 2013. In its next report to the ~~Sunset Advisory Commission~~ governor and legislature under Minnesota Statutes, section 3.9225, subdivision 7, the Council on Black Minnesotans must respond to any issues raised in this audit and to issues raised in previous audits.

Sec. 7. Laws 2012, chapter 278, article 2, section 27, is amended to read:

Sec. 27. **HEALTH-RELATED LICENSING BOARDS REPORTING OBLIGATIONS.**

(a) By January 15, 2013, the health-related boards and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, shall jointly study and submit draft legislation to ~~the Sunset Commission~~ and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services developing consistent

reporting requirements that require institutions, professional societies, other licensed professionals, courts, insurers, and other entities to report conduct constituting grounds for disciplinary action to the respective regulatory entity. The study and draft legislation shall include a self-reporting requirement that requires the licensed individual to report to the respective regulatory entity any action that would require a report to be filed by another specified entity. The study and draft legislation shall also include penalties that may be imposed for failure to report.

(b) Health-related boards with existing statutory reporting obligations shall participate to ensure that the existing reporting requirements are consistent with the recommended requirements and draft legislation.

Sec. 8. Laws 2012, chapter 278, article 2, section 34, is amended to read:

Sec. 34. **BOARD OF MEDICAL PRACTICE REVIEW.**

The legislative auditor is requested to conduct a special investigation of the Minnesota Board of Medical Practice and its implementation of the Medical Practice Act. The legislative auditor is requested to submit the results of the investigation to the Legislative Audit Commission, ~~the Sunset Advisory Commission~~, and the chairs and ranking minority members of the senate and house of representatives policy committees having jurisdiction over the board by January 1, 2013.

Sec. 9. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall delete all references to "the Sunset Advisory Commission" wherever they appear in Minnesota Statutes, and shall make other changes as necessary in Minnesota Statutes as a result of the enactment of this article.

Sec. 10. **REPEALER.**

(a) Minnesota Statutes 2012, sections 3D.01; 3D.02; 3D.03; 3D.04; 3D.045; 3D.05; 3D.06; 3D.065; 3D.07; 3D.08; 3D.09; 3D.10; 3D.11; 3D.12; 3D.13; 3D.14; 3D.15; 3D.16; 3D.17; 3D.18; 3D.19; 3D.20; and 3D.21, subdivisions 2, 3, 4, 5, 6, 7, and 8, are repealed.

(b) Laws 2012, chapter 278, article 1, section 6, is repealed.

Sec. 11. **EFFECTIVE DATE.**

Sections 1 to 10 are effective the day following final enactment.

ARTICLE 3  
STATE GOVERNMENT OPERATIONS

Section 1. Minnesota Statutes 2012, section 3.30, subdivision 2, is amended to read:

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

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

(b) The chair alternates between a member of the senate and a member of the house of representatives in January of each odd-numbered year.

Sec. 2. Minnesota Statutes 2012, section 3.303, is amended by adding a subdivision to read:

Subd. 11. **Acceptance of grants and gifts.** The commission may accept gifts and grants for purposes related to the duties of the commission. Money received by the commission from gifts and grants is appropriated to the commission for purposes specified in the gift or grant.

Sec. 3. Minnesota Statutes 2012, section 3.85, subdivision 8, is amended to read:

Subd. 8. **Expenses, reimbursement.** The members of the commission and its ~~assistants~~ staff shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties. Reimbursement for expenses incurred shall be made ~~under the rules governing state employees~~ in accordance with policies adopted by the Legislative Coordinating Commission.

Sec. 4. Minnesota Statutes 2012, section 3.85, subdivision 9, is amended to read:

Subd. 9. **Expenses and reports.** Expenses of the commission shall be approved by the chair or another member as the rules of the commission provide. ~~The expenses shall then be paid like other state expenses. A general summary or statement of expenses incurred by the commission and paid shall be made to the legislature by November 15 of each even-numbered year.~~

Sec. 5. Minnesota Statutes 2012, 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, offices, courts, and other ~~state~~ organizations subject to audit by the legislative auditor, including, but not limited to, 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 ClearWay Minnesota,~~ Minnesota Sports Facilities 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 and other public resources are complied with and may, as part of a financial audit or separately, investigate allegations of noncompliance.

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

Sec. 6. Minnesota Statutes 2012, section 3.971, is amended by adding a subdivision to read:

Subd. 6a. **Data security audits.** The legislative auditor shall audit, as resources permit, information and data systems supported with public funds and operated by an organization listed in subdivision 6. The audits shall include an assessment of controls designed to protect government data, particularly government data classified as not public by chapter 13, from unauthorized access and use. The audits shall also include an assessment of organizations' compliance with other applicable legal requirements related to the operation of information and data systems and proper classification and protection of the data contained in the systems.

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

Sec. 7. Minnesota Statutes 2012, section 3.971, is amended by adding a subdivision to read:

Subd. 9. **Obligation to notify the legislative auditor.** The chief executive, financial, or information officers of an organization subject to audit under this section, must promptly notify the legislative auditor when the officer obtains information indicating that public money or other public resources may have been used for an unlawful purpose, or when the officer obtains information indicating that government data classified by chapter 13 as not public may have been accessed or used unlawfully. As necessary, the legislative auditor shall coordinate an investigation of the allegation with appropriate law enforcement officials.

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

Sec. 8. **[5.38] AUTHORITY TO ACCEPT FUNDS.**

The secretary of state may enter into agreements with a local governmental unit to provide a technological service or project to enhance the state's election system. The secretary of state and the local governmental unit shall agree to the amount of consideration to be paid under the agreement. In addition, the secretary of state may accept federal funds for election purposes. If the secretary of state accepts federal funds and the terms of the grant do not require the state to maintain its effort, section 3.3005 does not apply. If the secretary of state accepts federal funds and the terms of the grant do require the state to maintain its effort, section 3.3005 applies. The funds accepted under this section must be deposited in accounts in the special revenue fund and are appropriated to the secretary of state for the uses authorized by this section. The secretary of state shall report by January 15 each year to the chair and ranking minority members of the finance committees of the house of representatives and the senate with jurisdiction over the secretary of state the total amounts received in the preceding calendar year, the sources of those funds, and the uses to which those funds were or will be put. For purposes of this section, "local governmental unit" means a county, home rule charter or statutory city, town, or school district.

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

Sec. 9. **[5B.12] AUTHORITY TO ACCEPT FUNDS.**

Notwithstanding sections 16A.013 to 16A.016, the secretary of state may accept funds contributed by individuals and may apply for grants from charitable foundations, to be used for the address confidentiality program established in section 5B.03. In addition, the secretary of state may apply for grants from the federal government for purposes of the address confidentiality program. If the secretary of state accepts federal funds and the terms of the grant do not require the state to maintain its effort, section 3.3005 does not apply. If the secretary of state accepts federal funds and the terms of the grant do require the state to maintain its effort, section 3.3005 applies. The funds accepted under this section must be deposited in accounts in the special revenue fund and are appropriated to the secretary of state for use in the address confidentiality program. The secretary of state shall report by January 15 each year to the chair and ranking minority members of the finance committees of the house of representatives and

the senate with jurisdiction over the secretary of state the total amounts received in the preceding calendar year, the sources of those funds, and the uses to which those funds were or will be put. Any contributions from program participants must be aggregated, and the names of program participants must not be reported.

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

Sec. 10. **[6.475] CITY AND TOWN ACCOUNTING SYSTEM SOFTWARE.**

(a) The state auditor may charge a onetime user fee to cities, towns, and other government entities for the development, maintenance, and distribution of the small city and town accounting system software. The amount of this fee shall be set by the state auditor in consultation with the Minnesota Association of Townships, the League of Minnesota Cities, and the Minnesota Association of Small Cities.

(b) A city and town accounting systems (CTAS) account is established in the special revenue fund.

(c) Amounts received under paragraph (a) shall be credited to the CTAS account in the special revenue fund and are appropriated to the state auditor for all costs associated with the development, maintenance, and distribution of the small city and town accounting system software. If at any time the small city and town accounting system software ceases to be offered by the state auditor, any amount remaining in the CTAS account shall be equitably refunded to users. The amount of the refund shall be set by the state auditor in consultation with the Minnesota Association of Townships, the League of Minnesota Cities, and the Minnesota Association of Small Cities, and the account shall be closed.

Sec. 11. Minnesota Statutes 2012, section 6.48, is amended to read:

**6.48 EXAMINATION OF COUNTIES; COST, FEES.**

All the powers and duties conferred and imposed upon the state auditor shall be exercised and performed by the state auditor in respect to the offices, institutions, public property, and improvements of several counties of the state. At least once in each year, if funds and personnel permit, the state auditor may visit, without previous notice, each county and make a thorough examination of all accounts and records relating to the receipt and disbursement of the public funds and the custody of the public funds and other property. If the audit is performed by a private certified public accountant, the state auditor may require additional information from the private certified public accountant as the state auditor deems in the public interest. The state auditor may accept the audit or make additional examinations as the state auditor deems to be in the public interest. The state auditor shall prescribe and install systems of accounts and financial reports that shall be uniform, so far as practicable, for the same class of offices. A copy of the report of such examination shall be filed and be subject to public inspection in the office of the state auditor and another copy in the office of the auditor of the county thus examined. The state auditor may accept the records and audit, or any part thereof, of the Department of Human Services in lieu of examination of the county social welfare funds, if such audit has been made within any period covered by the state auditor's audit of the other records of the county. If any such examination shall disclose malfeasance, misfeasance, or nonfeasance in any office of such county, such report shall be filed with the county attorney of the county, and the county attorney shall institute such civil and criminal proceedings as the law and the protection of the public interests shall require.

The county receiving any examination shall pay to the ~~state general fund, notwithstanding the provisions of section 16A.125,~~ state auditor enterprise fund the total cost and expenses of such examinations, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor on deeming it advisable may bill counties, ~~having a population of 200,000 or over, monthly~~ periodically for services rendered and the officials responsible for approving and paying claims shall cause said bill to be promptly paid. The ~~general state auditor enterprise~~ state auditor enterprise fund shall be credited with all collections made for any such examinations.

Sec. 12. Minnesota Statutes 2012, section 6.56, subdivision 2, is amended to read:

Subd. 2. **Billings by state auditor.** Upon the examination of the books, records, accounts, and affairs of any political subdivision, as provided by law, such political subdivision shall be liable to the state for the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor may bill such political subdivision ~~monthly~~ periodically for service rendered and the officials responsible for approving and paying claims are authorized to pay said bill promptly. Said payments shall be without prejudice to any defense against said claims that may exist or be asserted. The ~~general state auditor enterprise~~ enterprise fund shall be credited with all collections made for any such examinations, including interest payments made pursuant to subdivision 3.

Sec. 13. **[6.581] STATE AUDITOR ENTERPRISE FUND.**

Subdivision 1. State auditor enterprise fund. A state auditor enterprise fund is established in the state treasury. All amounts received for the costs and expenses of examinations performed under this chapter shall be credited to the fund. Amounts credited to the fund are annually appropriated to the state auditor to pay the costs and expenses related to the examinations performed, including, but not limited to, salaries, office overhead, equipment, authorized contracts, and other expenses.

Subd. 2. Contract with private parties; equipment acquisition. When full-time personnel are not available, the state auditor may contract with a private entity for accounting and other technical services. Notwithstanding any law to the contrary, the acquisition of equipment may include duplicating equipment to be used in producing the reports issued by the Office of the State Auditor.

Subd. 3. Schedule of charges. The state auditor may adjust the schedule of charges for the examinations performed so that the charges are sufficient to cover all costs of the examinations performed and that the aggregate charges collected are sufficient to pay all salaries and other expenses, including the charges for the use of the equipment used in connection with the reimbursable examinations performed, and the cost of contracting for accounting and other technical services. The schedule of charges shall be based on an estimate of the cost of performing reimbursable examinations including, but not limited to, salaries, office overhead, equipment, authorized contracts, and other expenses. The state auditor may allocate a proportionate part of the total costs to an hourly or daily charge for each person or class of persons engaged in the performance of an examination. The schedule of charges shall reflect an equitable charge for the expenses incurred in the performance of any given examination. The state auditor shall review and adjust the schedule of charges for the examinations performed at least annually. All schedules of charges must be approved by the commissioner of management and budget before the charges are adopted to ensure that the amount collected is sufficient to pay all the costs connected with the examinations performed during the fiscal year.

Subd. 4. Reports to legislature. At least 30 days before implementing increased charges for examinations, the state auditor must report the proposed increases to the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over the budget of the state auditor. By January 15 of each odd-numbered year, the state auditor must report to the chairs and ranking minority members of the legislative committees and divisions with primary jurisdiction over the budget of the state auditor, a summary of state auditor enterprise fund anticipated revenues, and expenditures for the biennium ending June 30 of that year. The report must also include for the biennium the number of full-time equivalents paid by the fund, any audit rate changes stated as a percentage, the number of audit reports issued, and the number of counties audited.

Sec. 14. Minnesota Statutes 2012, section 13.591, subdivision 3, is amended to read:

Subd. 3. **Business as vendor.** (a) Data submitted by a business to a government entity in response to a request for bids as defined in section 16C.02, subdivision 11, are private or nonpublic until ~~the bids are opened. Once the bids are opened,~~ the time and date specified in the solicitation that bids are due, at which time the name of the bidder

and the dollar amount specified in the response ~~are read and~~ become public. All other data in a bidder's response to a bid are private or nonpublic data until completion of the selection process. For purposes of this section, "completion of the selection process" means that the government entity has completed its evaluation and has ranked the responses. After a government entity has completed the selection process, all remaining data submitted by all bidders are public with the exception of trade secret data as defined and classified in section 13.37. A statement by a bidder that submitted data are copyrighted or otherwise protected does not prevent public access to the data contained in the bid.

If all responses to a request for bids are rejected prior to completion of the selection process, all data, other than ~~that made public at the bid opening~~ the name of the bidder and the dollar amount specified in the response, remain private or nonpublic until a resolicitation of bids results in completion of the selection process or a determination is made to abandon the purchase. If the rejection occurs after the completion of the selection process, the data remain public. If a resolicitation of bids does not occur within one year of the bid opening date, the remaining data become public.

(b) Data submitted by a business to a government entity in response to a request for proposal, as defined in section 16C.02, subdivision 12, are private or nonpublic until ~~the responses are opened. Once the responses are opened,~~ the time and date specified in the solicitation that proposals are due, at which time the name of the responder ~~is read and~~ becomes public. All other data in a responder's response to a request for proposal are private or nonpublic data until completion of the evaluation process. For purposes of this section, "completion of the evaluation process" means that the government entity has completed negotiating the contract with the selected vendor. After a government entity has completed the evaluation process, all remaining data submitted by all responders are public with the exception of trade secret data as defined and classified in section 13.37. A statement by a responder that submitted data are copyrighted or otherwise protected does not prevent public access to the data contained in the response.

If all responses to a request for proposal are rejected prior to completion of the evaluation process, all data, other than ~~that made public at the response opening,~~ the names of the responders, remain private or nonpublic until a resolicitation of the requests for proposal results in completion of the evaluation process or a determination is made to abandon the purchase. If the rejection occurs after the completion of the evaluation process, the data remain public. If a resolicitation of proposals does not occur within one year of the proposal opening date, the remaining data become public.

Sec. 15. Minnesota Statutes 2012, section 16A.10, subdivision 1c, is amended to read:

Subd. 1c. **Performance measures for change items.** For each change item in the budget proposal requesting new or increased funding, the budget document must present proposed performance measures that can be used to determine if the new or increased funding is accomplishing its goals. To the extent possible, each budget change item must identify relevant ~~Minnesota Milestones and other~~ statewide goals and indicators related to the proposed initiative. ~~The commissioner must report to the Subcommittee on Government Accountability established under section 3.885, subdivision 10, regarding the format to be used for the presentation and selection of Minnesota Milestones and other statewide goals and indicators.~~

Sec. 16. Minnesota Statutes 2012, section 16C.02, subdivision 13, is amended to read:

Subd. 13. **Resident vendor.** "Resident vendor" means a person, firm, or corporation that:

(1) is authorized to conduct business in the state of Minnesota on the date a solicitation for a contract is first advertised or announced. It includes a foreign corporation duly authorized to engage in business in Minnesota;

(2) has paid unemployment taxes or income taxes in this state during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought;

(3) has a business address in the state; and

(4) has affirmatively claimed that status in the bid or proposal submission.

Sec. 17. Minnesota Statutes 2012, section 16C.06, subdivision 2, is amended to read:

Subd. 2. **Solicitation process.** (a) A formal solicitation must be used to acquire all goods, service contracts, and utilities estimated at or more than \$50,000, or in the case of a Department of Transportation solicitation, at or more than \$100,000, unless otherwise provided for. All formal responses must be sealed when they are received and must be ~~opened in public at the hour stated in the solicitation~~ made publicly available as required by section 13.591. Formal responses must be authenticated by the responder in a manner specified by the commissioner.

(b) An informal solicitation may be used to acquire all goods, service contracts, and utilities that are estimated at less than \$50,000, or in the case of a Department of Transportation solicitation, at or less than \$100,000. The number of vendors required to receive solicitations may be determined by the commissioner. Informal responses must be authenticated by the responder in a manner specified by the commissioner.

Sec. 18. Minnesota Statutes 2012, section 16C.09, is amended to read:

#### **16C.09 PROCEDURE FOR SERVICE CONTRACTS.**

(a) Before entering into or approving a service contract valued in excess of \$5,000, the commissioner must determine, at least, that:

(1) no current state employee is able and available to perform the services called for by the contract;

(2) the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities and there is statutory authority to enter into the contract;

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

(4) the contractor and agents are not employees of the state;

(5) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed; and

(6) the combined contract and amendments will not exceed five years without specific, written approval by the commissioner according to established policy, procedures, and standards, or unless otherwise provided for by law. The term of the original contract must not exceed two years, unless the commissioner determines that a longer duration is in the best interest of the state.

(b) For purposes of paragraph (a), clause (1), employees are available if qualified and:

(1) are already doing the work in question; or

(2) are on layoff status in classes that can do the work in question.

An employee is not available if the employee is doing other work, is retired, or has decided not to do the work in question.

(c) This section does not apply to an agency's use of inmates pursuant to sections 241.20 to 241.23 or to an agency's use of persons required by a court to provide:

- (1) community service; or
- (2) conservation or maintenance services on lands under the jurisdiction and control of the state.

Sec. 19. Minnesota Statutes 2012, section 16C.10, subdivision 6, is amended to read:

Subd. 6. **Expenditures under specified amounts.** The solicitation process described in this chapter is not required for:

- (1) acquisition of goods or services, other than professional or technical services, in an amount of ~~\$2,500~~ \$5,000 or less; or
- (2) acquisition of professional or technical services in an amount of \$5,000 or less, provided the requirements of section 16C.08, subdivisions 3 to 6, are met.

Sec. 20. Minnesota Statutes 2012, section 16C.145, is amended to read:

**16C.145 NONVISUAL TECHNOLOGY ACCESS STANDARDS.**

(a) The commissioner shall develop nonvisual technology access standards. The standards must be included in all contracts for the procurement of information technology by, or for the use of, agencies, political subdivisions, and the Minnesota State Colleges and Universities. The University of Minnesota is encouraged to consider similar standards.

(b) The nonvisual access standards must include the following minimum specifications:

- (1) that effective, interactive control and use of the technology including the operating system, applications programs, prompts, and format of the data presented, are readily achievable by nonvisual means;
- (2) that the nonvisual access technology must be compatible with information technology used by other individuals with whom the blind or visually impaired individual must interact;
- (3) that nonvisual access technology must be integrated into networks used to share communications among employees, program participants, and the public; and
- (4) that the nonvisual access technology must have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

(c) Nothing in this section requires the installation of software or peripheral devices used for nonvisual access when the information technology is being used by individuals who are not blind or visually impaired.

(d) Executive branch state agencies subject to section 16E.03, subdivision 9, are not required to include nonvisual technology access standards developed under this section in contracts for the procurement of information technology.

Sec. 21. Minnesota Statutes 2012, section 16C.33, subdivision 3, is amended to read:

Subd. 3. **Solicitation of qualifications or proposals.** (a) Every user agency, except the Capitol Area Architectural and Planning Board, shall submit a written request for a design-builder for its project to the commissioner who shall forward the request to the board, consistent with section 16B.33, subdivision 3, paragraph (a). The University of Minnesota shall follow the process in subdivision 4 to select design-builders for projects that are subject to section 16B.33. The written request must include a description of the project, the total project cost, a description of any special requirements or unique features of the proposed project, and other information requested by the board which will assist the board in carrying out its duties and responsibilities set forth in this section.

(b) A request for qualifications or proposals soliciting design-builders shall be prepared for each design-build contract pursuant to subdivision 5 or 7. The request for qualifications or proposals shall contain, at a minimum, the following elements:

(1) the identity of the agency for which the project will be built and that will award the design-build contract;

(2) procedures for submitting qualifications or proposals, the criteria for evaluation of qualifications or proposals and the relative weight for each criterion and subcriterion, and the procedures for making awards according to the stated criteria and subcriteria, including a reference to the requirements of this section;

(3) the proposed terms and conditions for the contract;

(4) the desired qualifications of the design-builder and the desired or permitted areas of construction to be performed by named members of the design-build team, if applicable. The primary designer shall be a named member of the design-build team;

(5) the schedule for commencement and completion of the project;

(6) any applicable budget limits for the project;

(7) the requirements for insurance and statutorily required performance and payment bonds;

(8) the identification and location of any other information in the possession or control of the agency that the user agency determines is material, which may include surveys, soils reports, drawings or models of existing structures, environmental studies, photographs, or references to public records;

(9) for a design-build design and price-based selection process, the request shall also include the design criteria package, including the performance and technical requirements for the project, and the functional and operational elements for the delivery of the completed project. The request shall also contain a description of the drawings, specifications, or other submittals to be included with the proposal, with guidance as to the form and level of completeness of the drawings, specifications or submittals that will be acceptable, and the stipend to be paid to the design-builders selected to submit the above described information; and

(10) the criteria shall not impose unnecessary conditions beyond reasonable requirements to ensure maximum participation of qualified design-builders. The criteria shall not consider the collective bargaining status of the design-builder.

(c) Notice of requests for qualifications or proposals must be advertised in ~~the State Register~~ a manner designated by the commissioner.

Sec. 22. Minnesota Statutes 2012, section 16C.34, subdivision 1, is amended to read:

Subdivision 1. **Solicitation of qualifications.** (a) Every user agency, except the Capitol Area Architectural and Planning Board, shall submit a written request for proposals for a construction manager at risk for its project to the commissioner. The written request for proposals must include a description of the project, the estimated cost of completing the project, a description of any special requirements or unique features of the proposed project, and other information which will assist the commissioner in carrying out its duties and responsibilities set forth in this section.

(b) The commissioner may include in the request for qualifications criteria a requirement that the proposer include the overhead and fee that the construction manager at risk proposes to charge for its services.

(c) A request for qualifications shall be prepared for each construction manager at risk contract as provided in this section. The request for qualifications shall contain, at a minimum, the following elements:

(1) the identity of the agency for which the project will be built and that will award the construction manager at risk contract;

(2) procedures for submitting qualifications, the criteria and subcriteria for evaluation of qualifications and the relative weight for each criteria and subcriteria, and the procedures for making awards in an open, competitive, and objective manner, and according to the stated criteria and subcriteria, including a reference to the requirements of this section;

(3) the terms and conditions for the contract;

(4) the qualifications that the construction manager at risk shall be desired to have;

(5) a schedule for commencement and completion of the project;

(6) any applicable budget limits for the project;

(7) requirements for insurance, statutorily required performance and payment bonds;

(8) identification and location of any other information in the possession or control of the agency that the user agency determines is material, which may include surveys, soils reports, drawings or models of existing structures, environmental studies, photographs, or references to public records; and

(9) criteria shall not impose unnecessary conditions beyond reasonable requirements to ensure maximum participation of construction managers at risk. The criteria shall not consider the collective bargaining status of the construction manager at risk.

(d) Notice of requests for qualifications must be advertised in ~~the State Register~~ a manner designated by the commissioner.

Sec. 23. **[16E.0466] STATE AGENCY TECHNOLOGY PROJECTS.**

Every state agency with an information or telecommunications project must consult with the Office of Enterprise Technology to determine the information technology cost of the project. Upon agreement between the commissioner of a particular agency and the chief information officer, the agency must transfer the information technology cost portion of the project to the Office of Enterprise Technology. Service level agreements must document all project-related transfers under this section. Those agencies specified in section 16E.016, paragraph (d), are exempt from the requirements of this section.

Sec. 24. Minnesota Statutes 2012, section 16E.07, is amended by adding a subdivision to read:

Subd. 12. **Private entity services; fee authority.** (a) The office may enter into a contract with a private entity to manage, maintain, support, and expand North Star and online government information services to citizens and businesses.

(b) A contract established under paragraph (a) may provide for compensation of the private entity through a fee established under paragraph (c).

(c) The office, subject to the approval of the agency or office responsible for the data or services involved in the transaction, may charge and may authorize a private entity that enters into a contract under paragraph (a) to charge a convenience fee for users of North Star and online government information services up to a total of \$2 per transaction, provided that no fee shall be charged for viewing or inspecting data. The office shall consider the recommendation of the E-Government Advisory Council under section 16E.071 in setting the convenience fee. A fee established under this paragraph is in addition to any fees or surcharges authorized under other law.

(d) Receipts from the convenience fee shall be deposited in the North Star account established in subdivision 7. Notwithstanding section 16A.1285, subdivision 2, receipts credited to the account are appropriated to the office for payment to the contracted private entity under paragraph (a). In lieu of depositing the receipts in the North Star account, the office can directly transfer the receipts to the private entity or allow the private entity to retain the receipts pursuant to a contract established under this subdivision.

(e) The office shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over state government finance by January 15 of each odd-numbered year regarding the convenience fee receipts and the status of North Star projects and online government information services developed and supported by convenience fee receipts.

Sec. 25. **[16E.071] E-GOVERNMENT ADVISORY COUNCIL.**

Subdivision 1. **E-Government Advisory Council established.** The E-Government Advisory Council is established for the purpose of improving online government information services to citizens and businesses.

Subd. 2. **Membership.** The council shall consist of nine members as follows:

(1) the state chief information officer or the chief information officer's designee;

(2) one public member appointed by the speaker of the house;

(3) one public member appointed by the senate Subcommittee on Committees of the Rules and Administration Committee;

(4) five members appointed by the governor representing state executive branch agencies that are actively involved with private businesses, the private business community, or the public; and

(5) one member appointed by the governor who is knowledgeable in public access to government data.

Subd. 3. **Initial appointments and first meeting.** Appointing authorities shall make the first appointments to the council by September 1, 2013. The first member appointed by the speaker of the house shall serve until the first Monday in January, 2015. The governor shall designate three initial appointees to serve until the first Monday in January 2015. The term of the other three initial appointees of the governor and the first member appointed by the senate shall be until the first Monday in January 2017. The chief information officer or the chief information officer's designee shall convene the council's first meeting by November 1, 2013, and shall act as chair until the council elects a chair at its first meeting.

Subd. 4. **Terms; removal; vacancies; compensation.** Membership terms, removal of member, and filling of vacancies are as provided in section 15.059, except that members shall not receive compensation or be reimbursed for expenses and except that terms of initial appointees are as provided in subdivision 3.

Subd. 5. **Chair.** The council shall annually elect a chair from its members.

Subd. 6. **Duties.** The council shall recommend to the office the priority of North Star projects and online government information services to be developed and supported by convenience fee receipts. The council shall provide oversight on the convenience fee and its receipts in the North Star account. The council shall by majority quorum vote to recommend to approve or disapprove establishing the convenience fee on particular types of transactions, the fee amount, and any changes in the fee amount. If the convenience fee receipts are retained by or transferred to the private entity in lieu of deposit in the North Star account, the council may audit the private entity's convenience fee receipts, expenses paid by the receipts, and associated financial statements.

Subd. 7. **Staff.** The office shall provide administrative support to the council.

Subd. 8. **Sunset.** The council shall expire the first Monday in January 2017.

Subd. 9. **Reports.** By June 1, 2014, and every year thereafter, the council shall report to the office with its recommendations regarding establishing the convenience fee, the fee amount, and changes to the fee amount.

Sec. 26. Minnesota Statutes 2012, section 32C.04, is amended to read:

#### **32C.04 ACCOUNTS; AUDITS.**

The authority may establish funds and accounts that it determines to be reasonable and necessary to conduct the business of the authority. The board shall ~~provide for and pay the cost of an independent annual audit of its official books and records~~ be subject to audit by the state legislative auditor. A copy of ~~this~~ an audit must be filed with the secretary of state.

Sec. 27. Minnesota Statutes 2012, section 129D.14, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the terms defined in this subdivision have the meanings given them.

(a) "Corporation for Public Broadcasting" or "CPB" means the nonprofit organization established pursuant to United States Code, title 47, section 396.

(b) "Federal Communications Commission" or "FCC" means the federal agency established pursuant to United States Code, title 47, section 151.

(c) "Licensee" means ~~the individual or business~~ an entity to whom ~~which~~ the Federal Communications Commission has issued ~~the~~ a license to operate a noncommercial radio station as defined in Code of Federal Regulations, title 47, subpart D, section 73.503.

(d) "Noncommercial radio station" means a station operated by a licensee of the FCC as a noncommercial educational radio station ~~under a license or program test authority from the Federal Communications Commission as a noncommercial educational radio station~~ as defined in Code of Federal Regulations, title 47, subpart D, section 73.503, licensed to a community within the state and serving a segment of the population of the state.

(e) "Operating income" may include:

- (1) individual and other community contributions;
- (2) all grants received from the Corporation for Public Broadcasting;
- (3) grants received from foundations, corporations, or federal, state, or local agencies or other sources for the purpose of programming or general operating support;
- (4) interest income;
- (5) earned income;
- (6) employee salaries paid through the federal Comprehensive Employment and Training Act, or other similar public employment programs, provided that only salary expended for employee duties directly relating to radio station operations shall be counted;
- (7) employee salaries paid through supporting educational institutions, provided that only salary expended for employee duties directly relating to radio station operations shall be counted;
- (8) direct operating costs provided by supporting educational institutions; and
- (9) no more than \$15,000 in volunteer time calculated at the federal minimum wage.

The following are specifically excluded in determining a station's operating income:

- (1) dollar representations in in-kind assistance from any source except as stipulated in clauses (8) and (9) above;
- (2) grants or contributions from any source for the purpose of purchasing capital improvements or equipment; and
- (3) noncommercial radio station grants received in the previous fiscal year pursuant to this section.

(f) "Local" means the area designated by the FCC's 60 dBu contour map.

Sec. 28. Minnesota Statutes 2012, section 129D.14, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** (a) To qualify for a grant under this section, the licensee ~~shall~~ must:

~~(a) (1) hold a valid noncommercial educational radio station license or program test authority from the Federal Communications Commission; FCC that is a Class "A" or "C" FM, as defined in Code of Federal Regulations, title 47, subpart B, sections 73.210 and 73.211 or Class "C" or "D" AM, as defined in Code of Federal Regulations, title 47, subpart A, section 73.21. Stations with a Class "L1" and "LP100" are not eligible for this funding. The station must be licensed to a community in the state of Minnesota and must be operated as a noncommercial educational station.~~

~~(b) (2) have facilities adequate to provide local program production and origination;~~

~~(c) (3) employ a minimum of two full-time professional radio staff persons or the equivalent in part-time staff and agree to employ a minimum of two full-time professional radio staff persons or the equivalent in part-time staff throughout the fiscal year of the grant;~~

~~(d) (4) maintain a minimum daily broadcasting schedule of (4) (i) the maximum allowed by its Federal Communications Commission license or (2) (ii) 12 hours a day during the first year of eligibility for state assistance, 15 hours a day during the second year of eligibility and 18 hours a day during the third and following years of eligibility;~~

(e) (5) broadcast 365 days a year or the maximum number of days allowed by its Federal Communications Commission license with an exception for power outages and natural disasters;

(f) (6) have a daily broadcast schedule devoted primarily to programming that serves ascertained community needs of an educational, informational or cultural nature within its primary signal area; however, a program schedule of a main channel carrier designed to further the principles of one or more particular religious philosophies or including 25 percent or more religious programming on a broadcast day does not meet this criterion, nor does a program schedule of a main channel carrier designed primarily for in-school or professional in-service audiences;

(g) (7) originate significant, locally produced programming designed to serve its community of license;

(h) (8) have a total annual operating income and budget of at least \$50,000;

(i) (9) have either a board of directors representing the community or a community advisory board that conducts advisory board meetings that are open to the public;

(j) (10) have a board of directors that: (1) (i) holds the portion of any meeting relating to the management or operation of the radio station open to the public and (2) (ii) permits any person to attend any meeting of the board without requiring a person, as a condition to attendance at the meeting, to register the person's name or to provide any other information; and

(k) (11) have met the criteria in clauses (a) (1) to (j) (10) for six months before it is eligible for state assistance under this section.

(b) The commissioner shall accept the judgment of Corporation for Public Broadcasting accepted audit when it is available on a station's eligibility for assistance under the criteria of this subdivision. If the station is not qualified for assistance or is qualified for but not receiving funding from the Corporation for Public Broadcasting, an independent audit is required to verify eligibility under paragraph (a), clause (8). If neither is available, the commissioner may accept a written declaration of eligibility signed by an independent auditor, a certified public accountant, or the chief executive officer of the station's parent organization ~~if it is an institution of education~~.

Sec. 29. Minnesota Statutes 2012, section 129D.15, is amended to read:

#### **129D.15 EQUIPMENT GRANTS.**

To be eligible for an equipment grant under sections 129D.11 to 129D.14, a public broadcasting station must meet the eligibility criteria set forth in sections 129D.13 and 129D.14. Before receiving an equipment grant, a station must submit to the commissioner a list of the equipment the station plans to purchase with the equipment grant. The commissioner may not require the station to purchase equipment before receiving the grant funds. A station must report to the commissioner a list of the equipment purchased with the grant.

Sec. 30. Minnesota Statutes 2012, section 129D.155, is amended to read:

#### **129D.155 REPAYMENT OF FUNDS.**

State funds distributed to public television or noncommercial radio stations and used to purchase equipment assets must be repaid to the state, without interest, if the assets purchased with these funds are sold within five years or otherwise converted to a person other than a nonprofit or municipal corporation. The amount due to the state shall be the net amount realized from the sale of the assets, but shall not exceed the amount of state funds advanced for the purchase of the asset. The commissioner of administration may approve the use of funds derived from the sale of such assets for the purchase of new equipment for similar purposes.

Sec. 31. Minnesota Statutes 2012, section 161.1419, subdivision 3, is amended to read:

Subd. 3. ~~Investigatory powers; Chair, vice-chair, and secretary.~~ The commission may hold meetings and hearings at such time and places as it may designate to accomplish the purposes set forth in this section ~~and may subpoena witnesses and records.~~ It shall select a chair, a vice-chair, and such other officers from its membership as it deems necessary. The commission shall appoint a secretary who shall also serve as a commission member.

Sec. 32. Minnesota Statutes 2012, section 469.3201, is amended to read:

**469.3201 STATE LEGISLATIVE AUDITOR; AUDITS OF JOB OPPORTUNITY BUILDING ZONES AND BUSINESS SUBSIDY AGREEMENTS.**

As resources allow, the Office of the State Auditor legislative auditor must annually audit the creation and operation of all job opportunity building zones and business subsidy agreements entered into under Minnesota Statutes, sections 469.310 to 469.320. To the extent necessary to perform this audit, the state auditor may request from the commissioner of revenue tax return information of taxpayers who are eligible to receive tax benefits authorized under section 469.315. To the extent necessary to perform this audit, the state auditor may request from the commissioner of employment and economic development wage detail report information required under section 268.044 of taxpayers eligible to receive tax benefits authorized under section 469.315. All public officials and parties to the agreements shall provide the legislative auditor with all documents and data the legislative auditor deems necessary and in all other respects comply with the requirements of section 3.978, subdivision 2.

Sec. 33. Minnesota Statutes 2012, section 471.699, is amended to read:

**471.699 ENFORCEMENT OF REPORTING REQUIREMENTS.**

Failure of a city to timely file a statement or report under section 471.697 or 471.698 shall, in addition to any other penalties provided by law, authorize the state auditor to send full-time personnel to the city or to contract with private persons, firms, or corporations pursuant to section ~~6.58~~ 6.581, in order to complete and file the financial statement or report. The expenses related to the completion and filing of the financial statement or report shall be charged to the city. Upon failure by the city to pay the charge within 30 days of billing, the state auditor shall so certify to the commissioner of management and budget who shall forward the amount certified to the general fund and deduct the amount from any state funds due to the city under any shared taxes or aids. The state auditor's annual report on cities shall include a listing of all cities failing to file a statement or report.

Sec. 34. **LEGISLATIVE ADVISORY COMMISSION CHAIR; 2013.**

Under Minnesota Statutes, section 3.30, subdivision 2, the chair of the Legislative Advisory Commission must be a member of the senate in 2013.

Sec. 35. **AUDIT OF FINANCIAL STATEMENTS.**

The legislative auditor shall examine alternatives for achieving an annual independent audit of the financial statements of the state of Minnesota required by Minnesota Statutes, section 16A.50, and make recommendations to the Legislative Audit Commission and appropriate legislative committees by October 1, 2013.

Sec. 36. **REVISOR'S INSTRUCTION.**

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall:

(1) substitute the term "Office of MN.IT Services" for "Office of Enterprise Technology" in each place where the latter term appears; and

(2) substitute the term "MN.IT services revolving fund" for "enterprise technology revolving fund" in each place where the latter term appears.

Sec. 37. **REPEALER.**

Minnesota Statutes 2012, sections 3.304, subdivisions 1 and 5; 3.885, subdivision 10; and 6.58, are repealed.

ARTICLE 4  
MILITARY AND VETERANS PROVISIONS

Section 1. Minnesota Statutes 2012, section 192.26, is amended to read:

**192.26 STATE AND MUNICIPAL OFFICERS AND EMPLOYEES NOT TO LOSE PAY WHILE ON AUTHORIZED LEAVE FOR MILITARY DUTY.**

Subdivision 1. **Authorized leave.** Subject to the conditions hereinafter prescribed, any officer or employee of the state or of any political subdivision, municipal corporation, or other public agency of the state who shall be a member of the National Guard, or any other component of the militia of the state now or hereafter organized or constituted under state or federal law, or who shall be a member of the officers' reserve corps, the enlisted reserve corps, the Naval Reserve, the Marine Corps reserve, or any other reserve component of the military or naval forces of the United States now or hereafter organized or constituted under federal law, shall be entitled to leave of absence from the public office or employment without loss of pay, seniority status, efficiency rating, vacation, sick leave, or other benefits for all the time when engaged with such organization or component in training or active service ordered or authorized by proper authority pursuant to law, whether for state or federal purposes, but not exceeding a total of 15 days in any calendar year. The state or political subdivision, municipal corporation, or other public agency shall allow the officer or employee to choose when during the calendar year to take the 15 days of paid military leave. The officer or employee may choose to use all of the 15 days of paid military leave at one time or, in the alternative, the 15 days of paid military leave may be divided and taken throughout the calendar year at the discretion of the officer or employee. Such leave shall be allowed only in case the required military or naval service is satisfactorily performed, which shall be presumed unless the contrary is established. Such leave shall not be allowed unless the officer or employee (1) returns to the public position immediately on being relieved from such military or naval service and not later than the expiration of the time herein limited for such leave, or (2) is prevented from so returning by physical or mental disability or other cause not due to the officer's or employee's own fault, or (3) is required by proper authority to continue in such military or naval service beyond the time herein limited for such leave.

Sec. 2. Minnesota Statutes 2012, section 197.608, subdivision 1, is amended to read:

Subdivision 1. **Grant program.** A veterans service office grant program is established to be administered by the commissioner of veterans affairs consisting of grants to counties to enable them to enhance the effectiveness of their veterans service offices. "Commissioner" as used in this section means the commissioner of veterans affairs.

Sec. 3. Minnesota Statutes 2012, section 197.608, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** (a) To be eligible for a grant under ~~this program~~ subdivision 6, a county must employ a county veterans service officer as authorized by sections 197.60 and 197.606, who is certified to serve in this position by the commissioner.

(b) A county that employs a newly hired county veterans service officer who is serving an initial probationary period and who has not been certified by the commissioner is eligible to receive a grant under subdivision ~~2a~~ 6 for one year from the date the county veterans service officer is appointed.

~~(c) Except for the situation described in paragraph (b), A county whose county veterans service officer does not receive certification during any year of the three year cycle is not eligible to receive a grant during the remainder of that cycle or the next three year cycle by the end of the first year of the county veterans service officer's appointment is ineligible for the grant under subdivision 6 until the county veterans service officer receives certification.~~

Sec. 4. Minnesota Statutes 2012, section 197.608, subdivision 4, is amended to read:

Subd. 4. **Grant process.** (a) The commissioner shall determine the process for awarding grants. A grant may be used only for the purpose of enhancing the operations of the County Veterans Service Office.

(b) The commissioner shall provide a list of qualifying uses for grant expenditures as developed in subdivision 5 and shall approve a grant under subdivision 6 only for a qualifying use and if there are sufficient funds remaining in the grant program to cover the full amount of the grant.

~~(c) The commissioner is authorized to use any unexpended funding for this program to provide training and education for county veterans service officers.~~

Sec. 5. Minnesota Statutes 2012, section 197.608, subdivision 5, is amended to read:

Subd. 5. **Qualifying uses.** The commissioner shall consult with the Minnesota Association of County Veterans Service Officers in developing a list of qualifying uses for grants awarded under ~~this program~~ subdivision 6.

~~The commissioner is authorized to use any unexpended funding for this program to provide training and education for county veterans service officers.~~

Sec. 6. Minnesota Statutes 2012, section 197.608, subdivision 6, is amended to read:

Subd. 6. **Grant amount.** (a) Each county is eligible to receive an annual grant of \$7,500 for the following purposes:

(1) to provide outreach to the county's veterans;

(2) to assist in the reintegration of combat veterans into society;

(3) to collaborate with other social service agencies, educational institutions, and other community organizations for the purposes of enhancing services offered to veterans;

(4) to reduce homelessness among veterans; and

(5) to enhance the operations of the county veterans service office.

(b) In addition to the grant amount in paragraph (a), each county is eligible to receive an additional annual grant under this paragraph. The amount of each additional annual grant must be determined by the commissioner and may not exceed:

(1) \$1,400 \$0, if the county's veteran population is less than 1,000;

(2) \$2,800 \$2,500, if the county's veteran population is 1,000 or more but less than 3,000;

- (3) ~~\$4,200~~ \$5,000, if the county's veteran population is 3,000 or more but less ~~than 10,000~~ than 4,999; ~~or~~
- (4) ~~\$5,600~~ \$7,500, if the county's veteran population is ~~10,000~~ 5,000 or more; but less than 9,999;
- (5) \$10,000, if the county's veteran population is 10,000 or more but less than 19,999;
- (6) \$15,000, if the county's veteran population is 20,000 or more but less than 29,999; or
- (7) \$20,000, if the county's veteran population is 30,000 or more.

(c) The Minnesota Association of County Veterans Service Officers is eligible to receive an annual grant of \$50,000. The grant shall be used for administrative costs of the association, certification of mandated county veterans service officer training and accreditation, and costs associated with reintegration services.

The veteran population of each county shall be determined by the figure supplied by the United States Department of Veterans Affairs, as adopted by the commissioner.

Sec. 7. Minnesota Statutes 2012, section 197.791, subdivision 4, is amended to read:

Subd. 4. **Eligibility.** (a) A person is eligible for educational assistance under this section if:

(1) the person is:

(i) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time ~~on or after September 11, 2001~~;

(ii) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(iii) ~~the surviving spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has died as a direct result of that military service, only if the surviving spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended;~~ or

(iv) ~~the spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has a total and permanent service-connected disability as rated by the United States Veterans Administration, only if the spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended; and~~

(2) the person receiving the educational assistance is a Minnesota resident, as defined in section 136A.101, subdivision 8; and

(3) the person receiving the educational assistance:

(i) is an undergraduate or graduate student at an eligible institution;

(ii) is maintaining satisfactory academic progress as defined by the institution for students participating in federal Title IV programs;

(iii) is enrolled in an education program leading to a certificate, diploma, or degree at an eligible institution;

(iv) has applied for educational assistance under this section prior to the end of the academic term for which the assistance is being requested;

(v) is in compliance with child support payment requirements under section 136A.121, subdivision 2, clause (5); and

(vi) has completed the Free Application for Federal Student Aid (FAFSA).

(b) A person's eligibility terminates when the person becomes eligible for benefits under section 135A.52.

(c) To determine eligibility, the commissioner may require official documentation, including the person's federal form DD-214 or other official military discharge papers; correspondence from the United States Veterans Administration; birth certificate; marriage certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency; proof of identity; or any other official documentation the commissioner considers necessary to determine eligibility.

(d) The commissioner may deny eligibility or terminate benefits under this section to any person who has not provided sufficient documentation to determine eligibility for the program. An applicant may appeal the commissioner's eligibility determination or termination of benefits in writing to the commissioner at any time. The commissioner must rule on any application or appeal within 30 days of receipt of all documentation that the commissioner requires. The decision of the commissioner regarding an appeal is final. However, an applicant whose appeal of an eligibility determination has been rejected by the commissioner may submit an additional appeal of that determination in writing to the commissioner at any time that the applicant is able to provide substantively significant additional information regarding the applicant's eligibility for the program. An approval of an applicant's eligibility by the commissioner following an appeal by the applicant is not retroactively effective for more than one year or the semester of the person's original application, whichever is later.

(e) Upon receiving an application with insufficient documentation to determine eligibility, the commissioner must notify the applicant within 30 days of receipt of the application that the application is being suspended pending receipt by the commissioner of sufficient documentation from the applicant to determine eligibility.

Sec. 8. Minnesota Statutes 2012, section 197.791, subdivision 5, is amended to read:

Subd. 5. **Benefit amount.** (a) On approval by the commissioner of eligibility for the program, the applicant shall be awarded, on a funds-available basis, the educational assistance under the program for use at any time according to program rules at any eligible institution.

(b) The amount of educational assistance in any semester or term for an eligible person must be determined by subtracting from the eligible person's cost of attendance the amount the person received or was eligible to receive in that semester or term from:

(1) the federal Pell Grant;

(2) the state grant program under section 136A.121; and

(3) any federal military or veterans educational benefits including but not limited to the Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational rehabilitation benefits, and any other federal benefits associated with the person's status as a veteran, except veterans disability payments from the United States Veterans Administration and payments made under the Veterans Retraining Assistance Program (VRAP).

(c) The amount of educational assistance for any eligible person who is a full-time student must not exceed the following:

- (1) \$1,000 per semester or term of enrollment;
- (2) \$3,000 per state fiscal year; and
- (3) \$10,000 in a lifetime.

For a part-time student, the amount of educational assistance must not exceed \$500 per semester or term of enrollment. For the purpose of this paragraph, a part-time undergraduate student is a student taking fewer than 12 credits or the equivalent for a semester or term of enrollment and a part-time graduate student is a student considered part time by the eligible institution the graduate student is attending. The minimum award for undergraduate and graduate students is \$50 per term.

Sec. 9. Minnesota Statutes 2012, section 364.03, subdivision 3, is amended to read:

Subd. 3. **Evidence of rehabilitation.** (a) A person who has been convicted of a crime or crimes which directly relate to the public employment sought or to the occupation for which a license is sought shall not be disqualified from the employment or occupation if the person can show competent evidence of sufficient rehabilitation and present fitness to perform the duties of the public employment sought or the occupation for which the license is sought. ~~Sufficient~~ Competent evidence of sufficient rehabilitation may be established by the production of the person's most recent certified copy of a United States Department of Defense form DD-214 showing the person's honorable discharge, or separation under honorable conditions, from the United States armed forces for military service rendered following conviction for any crime that would otherwise disqualify the person from the public employment sought or the occupation for which the license is sought, or:

- (1) a copy of the local, state, or federal release order; and
- (2) evidence showing that at least one year has elapsed since release from any local, state, or federal correctional institution without subsequent conviction of a crime; and evidence showing compliance with all terms and conditions of probation or parole; or
- (3) a copy of the relevant Department of Corrections discharge order or other documents showing completion of probation or parole supervision.

(b) In addition to the documentary evidence presented, the licensing or hiring authority shall consider any evidence presented by the applicant regarding:

- (1) the nature and seriousness of the crime or crimes for which convicted;
- (2) all circumstances relative to the crime or crimes, including mitigating circumstances or social conditions surrounding the commission of the crime or crimes;
- (3) the age of the person at the time the crime or crimes were committed;
- (4) the length of time elapsed since the crime or crimes were committed; and
- (5) all other competent evidence of rehabilitation and present fitness presented, including, but not limited to, letters of reference by persons who have been in contact with the applicant since the applicant's release from any local, state, or federal correctional institution.

(c) The certified copy of a person's United States Department of Defense form DD-214 showing the person's honorable discharge or separation under honorable conditions from the United States armed forces ceases to qualify as competent evidence of sufficient rehabilitation for purposes of this section upon the person's conviction for any gross misdemeanor or felony committed by the person subsequent to the effective date of that honorable discharge or separation from military service.

Sec. 10. **[471.3457] VETERAN-OWNED SMALL BUSINESS CONTRACTS.**

Subdivision 1. **Definitions.** For the purposes of this section:

(1) "local government" means a town or home rule charter or statutory city; and

(2) "governing body" means the town board of supervisors or city council.

Subd. 2. **Authority.** The governing body of a local government may implement a program within its jurisdiction to provide a bid preference in awarding contracts as defined in section 471.345, and in awarding contracts for services, to designated veteran-owned small businesses, as provided in section 375.771.

Sec. 11. Minnesota Statutes 2012, section 626.8517, is amended to read:

**626.8517 ELIGIBILITY FOR RECIPROCITY EXAMINATION BASED ON RELEVANT MILITARY EXPERIENCE.**

(a) For purposes of this section:

(1) "active service" has the meaning given in section 190.05, subdivision 5; and

(2) "relevant military experience" means:

(i) five years' active service experience in a military law enforcement occupational specialty;

(ii) three years' active service experience in a military law enforcement occupational specialty, and completion of a two-year or more degree from a regionally accredited postsecondary education institution; or

(iii) five years' cumulative experience as a full-time peace officer in another state combined with active service experience in a military law enforcement occupational specialty.

(b) A person ~~who has relevant military experience and who is eligible to take the reciprocity examination if the person has relevant military experience and:~~ is eligible to take the reciprocity examination if the person has relevant military experience and:

(1) has been honorably discharged from military active service as evidenced by a the most recent form DD-214 is eligible to take the reciprocity examination; or

(2) is currently in active service as evidenced by:

(i) active duty orders providing service time in military police specialty;

(ii) a United States Department of Defense Manpower Data Center status report pursuant to Service Members Civil Relief Act, active duty status report; or

(iii) Military Personnel Center assignment information.

(c) A person who passed the examination under paragraph (b), clause (2), shall not be eligible to be licensed as a peace officer until honorably discharged as evidenced by the most recent form DD-214.

Sec. 12. **REPEALER.**

Minnesota Statutes 2012, section 197.608, subdivision 2a, is repealed.

ARTICLE 5  
REVENUE DEPARTMENT

Section 1. Minnesota Statutes 2012, section 16A.82, is amended to read:

**16A.82 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

The following amounts are appropriated from the general fund to the commissioner to make payments under a lease-purchase agreement as defined in section 16A.81 for replacement of the state's accounting and procurement systems, provided that the state is not obligated to continue such appropriation of funds or to make lease payments in any future fiscal year.

Fiscal year 2010	\$2,828,038
Fiscal year 2011	\$3,063,950
Fiscal year 2012	\$8,967,850
Fiscal year 2013	\$8,968,950
Fiscal year 2014	\$8,970,850
Fiscal year 2015	\$8,971,150
Fiscal year 2016	\$8,966,450
Fiscal year 2017	\$8,967,500
Fiscal year 2018	\$8,970,750
Fiscal year 2019	\$8,968,500

Of these appropriations, up to \$2,000 per year may be used to pay the annual trustee fees for the lease-purchase agreements authorized in this section ~~and section 270C.145~~. Any unexpended portions of this appropriation cancel to the general fund at the close of each biennium. This section expires June 30, 2019.

Sec. 2. Minnesota Statutes 2012, section 65B.84, subdivision 1, is amended to read:

Subdivision 1. **Program described; commissioner's duties; appropriation.** (a) The commissioner of commerce shall:

(1) develop and sponsor the implementation of statewide plans, programs, and strategies to combat automobile theft, improve the administration of the automobile theft laws, and provide a forum for identification of critical problems for those persons dealing with automobile theft;

(2) coordinate the development, adoption, and implementation of plans, programs, and strategies relating to interagency and intergovernmental cooperation with respect to automobile theft enforcement;

(3) annually audit the plans and programs that have been funded in whole or in part to evaluate the effectiveness of the plans and programs and withdraw funding should the commissioner determine that a plan or program is ineffective or is no longer in need of further financial support from the fund;

(4) develop a plan of operation including:

(i) an assessment of the scope of the problem of automobile theft, including areas of the state where the problem is greatest;

(ii) an analysis of various methods of combating the problem of automobile theft;

(iii) a plan for providing financial support to combat automobile theft;

(iv) a plan for eliminating car hijacking; and

(v) an estimate of the funds required to implement the plan; and

(5) distribute money, in consultation with the commissioner of public safety, pursuant to subdivision 3 from the automobile theft prevention special revenue account for automobile theft prevention activities, including:

(i) paying the administrative costs of the program;

(ii) providing financial support to the State Patrol and local law enforcement agencies for automobile theft enforcement teams;

(iii) providing financial support to state or local law enforcement agencies for programs designed to reduce the incidence of automobile theft and for improved equipment and techniques for responding to automobile thefts;

(iv) providing financial support to local prosecutors for programs designed to reduce the incidence of automobile theft;

(v) providing financial support to judicial agencies for programs designed to reduce the incidence of automobile theft;

(vi) providing financial support for neighborhood or community organizations or business organizations for programs designed to reduce the incidence of automobile theft and to educate people about the common methods of automobile theft, the models of automobiles most likely to be stolen, and the times and places automobile theft is most likely to occur; and

(vii) providing financial support for automobile theft educational and training programs for state and local law enforcement officials, driver and vehicle services exam and inspections staff, and members of the judiciary.

(b) The commissioner may not spend in any fiscal year more than ten percent of the money in the fund for the program's administrative and operating costs. The commissioner is annually appropriated and must distribute the amount of the proceeds credited to the automobile theft prevention special revenue account each year, less the transfer of \$1,300,000 each year to the general fund described in section ~~168A.40, subdivision 4~~ 297I.11, subdivision 2.

**EFFECTIVE DATE.** This section is effective for premiums collected after June 30, 2013.

Sec. 3. Minnesota Statutes 2012, section 270C.69, subdivision 1, is amended to read:

Subdivision 1. **Notice and procedures.** (a) The commissioner may, within five years after the date of assessment of the tax, or if a lien has been filed under section 270C.63, within the statutory period for enforcement of the lien, give notice to any employer deriving income which has a taxable situs in this state regardless of whether the income is exempt from taxation, that an employee of that employer is delinquent in a certain amount with respect to any taxes, including penalties, interest, and costs. The commissioner can proceed under this section only if the tax is uncontested or if the time for appeal of the tax has expired. The commissioner shall not proceed under this section until the expiration of 30 days after mailing to the taxpayer, at the taxpayer's last known address, a

written notice of (1) the amount of taxes, interest, and penalties due from the taxpayer and demand for their payment, and (2) the commissioner's intention to require additional withholding by the taxpayer's employer pursuant to this section. The effect of the notice shall expire one year after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this section. The renewed notice shall have the effect of reinstating the priority of the original claim. The notice to the taxpayer shall be in substantially the same form as that provided in section 571.72. The notice shall further inform the taxpayer of the wage exemptions contained in section 550.37, subdivision 14. If no statement of exemption is received by the commissioner within 30 days from the mailing of the notice, the commissioner may proceed under this section. The notice to the taxpayer's employer may be served by mail or by delivery by an agent of the department and shall be in substantially the same form as provided in section 571.75. Upon receipt of notice, the employer shall withhold from compensation due or to become due to the employee, the total amount shown by the notice, subject to the provisions of section 571.922. The employer shall continue to withhold each pay period until the notice is released by the commissioner under section 270C.7109. Upon receipt of notice by the employer, the claim of the state of Minnesota shall have priority over any subsequent garnishments or wage assignments. The commissioner may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest has been withheld.

(b) The "compensation due" any employee is defined in accordance with the provisions of section 571.921. The maximum withholding allowed under this section for any one pay period shall be decreased by any amounts payable pursuant to a garnishment action with respect to which the employer was served prior to being served with the notice of delinquency and any amounts covered by any irrevocable and previously effective assignment of wages; the employer shall give notice to the commissioner of the amounts and the facts relating to such assignments within ten days after the service of the notice of delinquency on the form provided by the commissioner as noted in this section.

(c) Within ten days after the expiration of such pay period, the employer shall remit to the commissioner, ~~on a form and~~ in the manner prescribed by the commissioner, the amount withheld during each pay period under this section. The employer must file all wage levy disclosure forms and remit all wage levy payments by electronic means.

**EFFECTIVE DATE.** This section is effective for wage levy disclosures or wage levy payments filed or made after December 31, 2013.

Sec. 4. Minnesota Statutes 2012, section 289A.20, subdivision 2, is amended to read:

Subd. 2. **Withholding from wages, entertainer withholding, withholding from payments to out-of-state contractors, and withholding by partnerships, small business corporations, trusts.** (a) A tax required to be deducted and withheld during the quarterly period must be paid on or before the last day of the month following the close of the quarterly period, unless an earlier time for payment is provided. A tax required to be deducted and withheld from compensation of an entertainer and from a payment to an out-of-state contractor must be paid on or before the date the return for such tax must be filed under section 289A.18, subdivision 2. Taxes required to be deducted and withheld by partnerships, S corporations, and trusts must be paid on a quarterly basis as estimated taxes under section 289A.25 for partnerships and trusts and under section 289A.26 for S corporations.

(b) An employer who, during the previous quarter, withheld more than \$1,500 of tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, must deposit tax withheld under those sections with the commissioner within the time allowed to deposit the employer's federal withheld employment taxes under Code of Federal Regulations, title 26, section 31.6302-1, as amended through December 31, 2001, without regard to the safe harbor or de minimis rules in paragraph (f) or the one-day rule in paragraph (c)(3). Taxpayers must submit a copy of their federal notice of deposit status to the commissioner upon request by the commissioner.

(c) The commissioner may prescribe by rule other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify payors according to the amount of their tax liability and may adopt an appropriate reporting period for the class that the commissioner judges to be consistent with efficient tax collection. In no event will the duration of the reporting period be more than one year.

(d) If less than the correct amount of tax is paid to the commissioner, proper adjustments with respect to both the tax and the amount to be deducted must be made, without interest, in the manner and at the times the commissioner prescribes. If the underpayment cannot be adjusted, the amount of the underpayment will be assessed and collected in the manner and at the times the commissioner prescribes.

(e) If the aggregate amount of the tax withheld is:

~~(1) \$20,000 or more in the fiscal year ending June 30, 2005; or~~

~~(2) \$10,000 or more in the a fiscal year ending June 30, 2006, and fiscal years thereafter,~~

the employer must remit each required deposit for wages paid in ~~the~~ all subsequent calendar ~~year~~ years by electronic means.

(f) A third-party bulk filer as defined in section 290.92, subdivision 30, paragraph (a), clause (2), who remits withholding deposits must remit all deposits by electronic means as provided in paragraph (e), regardless of the aggregate amount of tax withheld during a fiscal year for all of the employers.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 5. Minnesota Statutes 2012, section 289A.20, subdivision 4, is amended to read:

Subd. 4. **Sales and use tax.** (a) The taxes imposed by chapter 297A are due and payable to the commissioner monthly on or before the 20th day of the month following the month in which the taxable event occurred, or following another reporting period as the commissioner prescribes or as allowed under section 289A.18, subdivision 4, paragraph (f) or (g), except that:

(1) use taxes due on an annual use tax return as provided under section 289A.11, subdivision 1, are payable by April 15 following the close of the calendar year; and

(2) except as provided in paragraph (f), for a vendor having a liability of \$120,000 or more during a fiscal year ending June 30, 2009, and fiscal years thereafter, the taxes imposed by chapter 297A, except as provided in paragraph (b), are due and payable to the commissioner monthly in the following manner:

(i) On or before the 14th day of the month following the month in which the taxable event occurred, the vendor must remit to the commissioner 90 percent of the estimated liability for the month in which the taxable event occurred.

(ii) On or before the 20th day of the month in which the taxable event occurs, the vendor must remit to the commissioner a prepayment for the month in which the taxable event occurs equal to 67 percent of the liability for the previous month.

(iii) On or before the 20th day of the month following the month in which the taxable event occurred, the vendor must pay any additional amount of tax not previously remitted under either item (i) or (ii) or, if the payment made under item (i) or (ii) was greater than the vendor's liability for the month in which the taxable event occurred, the vendor may take a credit against the next month's liability in a manner prescribed by the commissioner.

(iv) Once the vendor first pays under either item (i) or (ii), the vendor is required to continue to make payments in the same manner, as long as the vendor continues having a liability of \$120,000 or more during the most recent fiscal year ending June 30.

(v) Notwithstanding items (i), (ii), and (iv), if a vendor fails to make the required payment in the first month that the vendor is required to make a payment under either item (i) or (ii), then the vendor is deemed to have elected to pay under item (ii) and must make subsequent monthly payments in the manner provided in item (ii).

(vi) For vendors making an accelerated payment under item (ii), for the first month that the vendor is required to make the accelerated payment, on the 20th of that month, the vendor will pay 100 percent of the liability for the previous month and a prepayment for the first month equal to 67 percent of the liability for the previous month.

(b) Notwithstanding paragraph (a), a vendor having a liability of \$120,000 or more during a fiscal year ending June 30 must remit the June liability for the next year in the following manner:

(1) Two business days before June 30 of the year, the vendor must remit 90 percent of the estimated June liability to the commissioner.

(2) On or before August 20 of the year, the vendor must pay any additional amount of tax not remitted in June.

(c) A vendor having a liability of:

(1) \$10,000 or more, but less than \$120,000 during a fiscal year ending June 30, ~~2009~~ 2013, and fiscal years thereafter, must remit by electronic means all liabilities on returns due for periods beginning in ~~the~~ all subsequent calendar ~~year~~ years on or before the 20th day of the month following the month in which the taxable event occurred, or on or before the 20th day of the month following the month in which the sale is reported under section 289A.18, subdivision 4; or

(2) \$120,000 or more, during a fiscal year ending June 30, 2009, and fiscal years thereafter, must remit by electronic means all liabilities in the manner provided in paragraph (a), clause (2), on returns due for periods beginning in the subsequent calendar year, except for 90 percent of the estimated June liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20.

(d) Notwithstanding paragraph (b) or (c), a person prohibited by the person's religious beliefs from paying electronically shall be allowed to remit the payment by mail. The filer must notify the commissioner of revenue of the intent to pay by mail before doing so on a form prescribed by the commissioner. No extra fee may be charged to a person making payment by mail under this paragraph. The payment must be postmarked at least two business days before the due date for making the payment in order to be considered paid on a timely basis.

(e) Whenever the liability is \$120,000 or more separately for: (1) the tax imposed under chapter 297A; (2) a fee that is to be reported on the same return as and paid with the chapter 297A taxes; or (3) any other tax that is to be reported on the same return as and paid with the chapter 297A taxes, then the payment of all the liabilities on the return must be accelerated as provided in this subdivision.

(f) At the start of the first calendar quarter at least 90 days after the cash flow account established in section 16A.152, subdivision 1, and the budget reserve account established in section 16A.152, subdivision 1a, reach the amounts listed in section 16A.152, subdivision 2, paragraph (a), the remittance of the accelerated payments required under paragraph (a), clause (2), must be suspended. The commissioner of management and budget shall notify the commissioner of revenue when the accounts have reached the required amounts. Beginning with the suspension of paragraph (a), clause (2), for a vendor with a liability of \$120,000 or more during a fiscal year ending June 30, 2009, and fiscal years thereafter, the taxes imposed by chapter 297A are due and payable to the commissioner on the 20th day of the month following the month in which the taxable event occurred. Payments of tax liabilities for taxable events occurring in June under paragraph (b) are not changed.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 6. Minnesota Statutes 2012, section 289A.26, subdivision 2a, is amended to read:

Subd. 2a. **Electronic payments.** If the aggregate amount of estimated tax payments made is:

~~(1) \$20,000 or more in the fiscal year ending June 30, 2005; or~~

~~(2) \$10,000 or more in the a fiscal year ending June 30, 2006, and fiscal years thereafter,~~

all estimated tax payments in ~~the~~ all subsequent calendar ~~year~~ years must be paid by electronic means.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 7. Minnesota Statutes 2012, section 295.55, subdivision 4, is amended to read:

Subd. 4. **Electronic payments.** A taxpayer with an aggregate tax liability of:

~~(1) \$20,000 or more in the fiscal year ending June 30, 2005; or~~

~~(2) \$10,000 or more in the a fiscal year ending June 30, 2006, and fiscal years thereafter,~~

must remit all liabilities by electronic means in ~~the~~ all subsequent calendar ~~year~~ years.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 8. Minnesota Statutes 2012, section 297F.09, subdivision 7, is amended to read:

Subd. 7. **Electronic payment.** A cigarette or tobacco products distributor having a liability of \$10,000 or more during a fiscal year ending June 30 must remit all liabilities in ~~the~~ all subsequent calendar ~~year~~ years by electronic means.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 9. Minnesota Statutes 2012, section 297G.09, subdivision 6, is amended to read:

Subd. 6. **Electronic payments.** A licensed brewer, importer, or wholesaler having an excise tax liability of \$10,000 or more during a fiscal year ending June 30 must remit all excise tax liabilities in ~~the~~ all subsequent calendar ~~year~~ years by electronic means.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 10. **[297I.11] AUTOMOBILE THEFT PREVENTION SURCHARGE.**

Subdivision 1. **Surcharge.** Each insurer engaged in the writing of policies of automobile insurance shall collect a surcharge, at the rate of 50 cents per vehicle for every six months of coverage, on each policy of automobile insurance providing comprehensive insurance coverage issued or renewed in this state. The surcharge may not be considered premium for any purpose, including the computation of premium tax or agents' commissions. The amount of the surcharge must be separately stated on either a billing or policy declaration sent to an insured. Insurers shall remit the revenue derived from this surcharge to the commissioner of revenue for purposes of the automobile theft prevention program described in section 65B.84. For purposes of this subdivision, "policy of automobile insurance" has the meaning given it in section 65B.14, covering only the following types of vehicles as defined in section 168.002:

- (1) a passenger automobile;
- (2) a pickup truck;
- (3) a van but not commuter vans as defined in section 168.126; or
- (4) a motorcycle.

except that no vehicle with a gross vehicle weight in excess of 10,000 pounds is included within this definition.

Subd. 2. **Automobile theft prevention account.** A special revenue account in the state treasury shall be credited with the proceeds of the surcharge imposed under subdivision 1. Of the revenue in the account, \$1,300,000 each year must be transferred to the general fund. Revenues in excess of \$1,300,000 each year may be used only for the automobile theft prevention program described in section 65B.84.

Subd. 3. **Collection and administration.** The commissioner shall collect and administer the surcharge imposed by this section in the same manner as the taxes imposed by this chapter.

**EFFECTIVE DATE.** This section is effective for premiums collected after June 30, 2013.

Sec. 11. Minnesota Statutes 2012, section 297I.30, is amended by adding a subdivision to read:

Subd. 10. **Automobile theft prevention surcharge.** On or before May 1, August 1, November 1, and February 1 of each year, every insurer required to pay the surcharge under section 297I.11 shall file a return with the commissioner for the preceding three-month period ending March 31, June 30, September 30, and December 31, in the form prescribed by the commissioner.

**EFFECTIVE DATE.** This section is effective for premiums collected after June 30, 2013.

Sec. 12. Minnesota Statutes 2012, section 297I.35, subdivision 2, is amended to read:

Subd. 2. **Electronic payments.** If the aggregate amount of tax and surcharges due under this chapter during a fiscal year ending June 30 is equal to or exceeds \$10,000, or if the taxpayer is required to make payment of any other tax to the commissioner by electronic means, then all tax and surcharge payments in ~~the~~ all subsequent calendar ~~year~~ years must be paid by electronic means.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 13. Minnesota Statutes 2012, section 473.843, subdivision 3, is amended to read:

Subd. 3. **Payment of fee.** On or before the 20th day of each month each operator shall pay the fee due under this section for the previous month, using a form provided by the commissioner of revenue.

An operator having a fee of \$10,000 or more during a fiscal year ending June 30 must pay all fees in ~~the~~ all subsequent calendar ~~year~~ years by electronic means.

**EFFECTIVE DATE.** This section is effective for the fiscal year ending June 30, 2013, and all fiscal years thereafter.

Sec. 14. **DATA SECURITY AUDIT.**

The legislative auditor is requested, as resources permit, to conduct a data security audit under Minnesota Statutes, section 3.971, subdivision 6a, of the Department of Revenue's use of debit cards as payment for tax refunds.

Sec. 15. **REPEALER.**

(a) Minnesota Statutes 2012, section 168A.40, subdivisions 3 and 4, are repealed effective for premiums collected after June 30, 2013.

(b) Minnesota Statutes 2012, section 270C.145, is repealed the day following final enactment.

ARTICLE 6  
COMPENSATION COUNCIL

Section 1. Minnesota Statutes 2012, section 3.855, subdivision 3, is amended to read:

Subd. 3. **Other salaries and compensation plans.** The commission shall also:

(1) review and approve, reject, or modify a plan for compensation and terms and conditions of employment prepared and submitted by the commissioner of management and budget under section 43A.18, subdivision 2, covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by chapter 43A or other law;

(2) review and approve, reject, or modify a plan for total compensation and terms and conditions of employment for employees in positions identified as being managerial under section 43A.18, subdivision 3, whose salaries and benefits are not otherwise provided for in law or other plans established under chapter 43A;

(3) review and approve, reject, or modify recommendations for salaries submitted by ~~the governor or other an~~ appointing authority other than the governor under section 15A.0815, subdivision 5, covering agency head positions listed in section 15A.0815;

(4) review and approve, reject, or modify recommendations for ~~salaries~~ salary range of officials of higher education systems under section 15A.081, ~~subdivisions 7b and~~ subdivision 7c;

(5) review and approve, reject, or modify plans for compensation, terms, and conditions of employment proposed under section 43A.18, subdivisions 3a, 3b, and 4; and

(6) review and approve, reject, or modify the plan for compensation, terms, and conditions of employment of classified employees in the office of the legislative auditor under section 3.971, subdivision 2.

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

Sec. 2. Minnesota Statutes 2012, section 15A.0815, subdivision 1, is amended to read:

Subdivision 1. **Salary limits.** The governor or other appropriate appointing authority shall set the salary rates for positions listed in this section within the salary limits listed in subdivisions 2 to 4;. If the appointing authority is not the governor, the appointing authority's action is subject to approval of the Legislative Coordinating Commission and the legislature as provided by subdivision 5 and sections 3.855 and 15A.081, subdivision 7b.

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

Sec. 3. Minnesota Statutes 2012, section 15A.0815, subdivision 2, is amended to read:

Subd. 2. **Group I salary limits.** ~~The salaries for positions in this subdivision may not exceed 95 percent of the salary of the governor.~~ The salary for a position listed in this subdivision shall not exceed 133 percent of the salary of the governor. This limit must be adjusted annually on January 1. The new limit must equal the limit for the prior year increased by the percentage increase, if any, in the Consumer Price Index for all urban consumers from October of the second prior year to October of the immediately prior year. The commissioner of management and budget must publish the limit on the department's Web site. This subdivision applies to the following positions:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of education;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of health;

Executive director, Minnesota Office of Higher Education;

Commissioner, Housing Finance Agency;

Commissioner of human rights;

Commissioner of human services;

Commissioner of labor and industry;

Commissioner of management and budget;

Commissioner of natural resources;

~~Director of Office of Strategic and Long Range Planning;~~

Commissioner, Pollution Control Agency;

Executive director, Public Employees Retirement Association;

Commissioner of public safety;

Commissioner of revenue;

Executive director, State Retirement System;

Executive director, Teachers Retirement Association;

Commissioner of employment and economic development;

Commissioner of transportation; and

Commissioner of veterans affairs.

**EFFECTIVE DATE.** This section is effective retroactively from January 1, 2013.

Sec. 4. Minnesota Statutes 2012, section 15A.0815, subdivision 3, is amended to read:

Subd. 3. **Group II salary limits.** ~~The salaries for positions in this subdivision may not exceed 85 percent of the salary of the governor.~~ The salary for a position listed in this subdivision shall not exceed 120 percent of the salary of the governor. This limit must be adjusted annually on January 1. The new limit must equal the limit for the prior year increased by the percentage increase, if any, in the Consumer Price Index for all urban consumers from October of the second prior year to October of the immediately prior year. The commissioner of management and budget must publish the limit on the department's Web site. This subdivision applies to the following positions:

Executive director of Gambling Control Board;

Commissioner, Iron Range Resources and Rehabilitation Board;

Commissioner, Bureau of Mediation Services;

Ombudsman for Mental Health and Developmental Disabilities;

Chair, Metropolitan Council;

School trust lands director;

Executive director of pari-mutuel racing; and

Commissioner, Public Utilities Commission.

**EFFECTIVE DATE.** This section is effective retroactively from January 1, 2013.

Sec. 5. Minnesota Statutes 2012, section 15A.0815, subdivision 5, is amended to read:

Subd. 5. **Appointing authorities to recommend certain salaries.** (a) When the governor is the appointing authority, the governor, or other appropriate appointing authority, may submit to the Legislative Coordinating Commission recommendations for must establish salaries within the salary limits for the positions listed in subdivisions 2 to 4. An appointing authority may also propose additions or deletions of positions from those listed. Before establishing a salary, the governor must consult with the commissioner of management and budget concerning the salary. In establishing the salary, the governor shall consider the criteria established in section 43A.18, subdivision 8, and the performance of individual incumbents. The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals. The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities, and in determining recommendations rate each position by this system.

(b) An appointing authority other than the governor may submit to the Legislative Coordinating Commission recommendations for salaries within the salary limits for the positions listed in subdivisions 2 to 4.

~~(b)~~ Before submitting the recommendations, the appointing authority shall consult with the commissioner of management and budget concerning the recommendations.

(e) In making recommendations, the appointing authority shall consider the criteria established in section 43A.18, subdivision 8, and the performance of individual incumbents. The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals. The appointing authority shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities, and in determining recommendations, rate each position by this system.

(d) Before the appointing authority's recommended salaries take effect, the recommendations must be reviewed and approved, rejected, or modified by the Legislative Coordinating Commission and the legislature under section 3.855, subdivisions 2 and 3. ~~If, when the legislature is not in session, the commission fails to reject or modify salary recommendations of the governor within 30 calendar days of their receipt, the recommendations are deemed to be approved.~~

(c) The governor or other appointing authority may propose additions or deletions of positions from those listed in subdivisions 2 to 4.

(e) (d) The governor or other appointing authority shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law after consultation with the commissioner, whose recommendation is advisory only. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

(f) (e) The salary of a newly appointed head of an agency or chair of a metropolitan agency listed in subdivisions 2 to 4 who is appointed by someone other than the governor, may be increased or decreased by the appointing authority from the salary previously set for that position within 30 days of the new appointment after consultation with the commissioner. If the appointing authority increases a salary under this paragraph, the appointing authority shall submit the new salary to the Legislative Coordinating Commission and the full legislature for approval, modification, or rejection under section 3.855, subdivisions 2 and 3. ~~If, when the legislature is not in session, the commission fails to reject or modify salary recommendations of the governor within 30 calendar days of their receipt, the recommendations are deemed to be approved.~~

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

Sec. 6. Minnesota Statutes 2012, section 15A.082, subdivision 1, is amended to read:

Subdivision 1. **Creation.** A Compensation Council is created each ~~even-numbered~~ odd-numbered year to assist the legislature in establishing the compensation of constitutional officers, members of the legislature, justices of the Supreme Court, judges of the Court of Appeals and district court, and the heads of state and metropolitan agencies included in section 15A.0815.

Sec. 7. Minnesota Statutes 2012, section 15A.082, subdivision 2, is amended to read:

Subd. 2. **Membership.** The Compensation Council consists of 16 members: two members ~~of the house of representatives~~ appointed by the speaker of the house, who are not members of the legislature; two members ~~of the senate~~ appointed by the majority leader of the senate, who are not members of the legislature; one member ~~of the house of representatives~~ appointed by the minority leader of the house of representatives, who is not a member of the legislature; one member ~~of the senate~~ appointed by the minority leader of the senate, who is not a member of the legislature; two nonjudges appointed by the chief justice of the Supreme Court; and one member from each congressional district appointed by the governor, of whom no more than four may belong to the same political party. Appointments must be made ~~by October 1~~ after the first Monday in January and before January 15. The compensation and removal of members appointed by the governor or the chief justice shall be as provided in section 15.059, subdivisions 3 and 4. The Legislative Coordinating Commission shall provide the council with administrative and support services.

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

Sec. 8. Minnesota Statutes 2012, section 15A.082, subdivision 3, is amended to read:

Subd. 3. **Submission of recommendations.** (a) By ~~May 1~~ March 15 in each odd-numbered year, the Compensation Council shall submit to the speaker of the house and the president of the senate salary recommendations for constitutional officers, legislators, justices of the Supreme Court, and judges of the Court of Appeals and district court. The recommended salary for each office must take effect on the first Monday in January of the next odd-numbered year, with no more than one adjustment, to take effect on January 1 of the year after that. The salary recommendations for legislators, judges, and constitutional officers take effect if an appropriation of money to pay the recommended salaries is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected. The salary recommendations for legislators are subject to additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.

(b) The council shall also submit to the speaker of the house and the president of the senate recommendations for the salary ranges of the heads of state and metropolitan agencies, to be effective retroactively from January 1 of that year if enacted into law. The recommendations shall include the appropriate group in section 15A.0815 to which each agency head should be assigned and the appropriate limitation on the maximum range of the salaries of the agency heads in each group, expressed as a percentage of the salary of the governor.

Sec. 9. Minnesota Statutes 2012, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. **Salary limits.** As used in subdivisions 1 to 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned. For presidents of state universities, "salary" does not include a housing allowance provided through a compensation plan approved under section 43A.18, subdivision 3a.

~~The salary, as established in section 15A.0815, of the head of a state agency in the executive branch is the upper limit on the salaries of individual employees in the agency. However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions 3 and 4.~~

**EFFECTIVE DATE.** This section is effective retroactively from January 1, 2013.

Sec. 10. Minnesota Statutes 2012, section 43A.17, subdivision 3, is amended to read:

Subd. 3. **Unusual employment situations.** (a) Upon the request of the appointing authority, and when the commissioner determines that changes in employment situations create difficulties in attracting or retaining employees, the commissioner may approve an unusual employment situation increase to advance an employee within the ~~compensation plan~~ salary range.

(b) ~~If the commissioner determines that a position requires special expertise necessitating a higher salary to attract or retain qualified persons, the commissioner may grant an exemption not to exceed 120 percent of the salary of the head of the agency or the maximum rate established for the position, whichever is less.~~

(c) ~~The following conditions apply to a request under paragraph (a) to advance an employee within a compensation plan or under paragraph (b) to exceed the salary of the agency head~~ salary range:

(1) the appointing authority making the request must submit a detailed written statement for each position contained in the request, specifying the changes in employment situations that create difficulties in attracting or retaining an employee for the position;

(2) the commissioner shall review each proposal giving due consideration to salary rates paid to other employees in the same class and agency and, if other conditions in this paragraph are met, may approve any request that in the commissioner's judgment is in the best interest of the state;

(3) the action must be consistent with applicable provisions of collective bargaining agreements or plans adopted under section 43A.18;

(4) each increase or exemption must be separately documented for each employee or position and may not be applied to groups of employees; and

(5) the commissioner shall report the granting of a request to the chair of the Legislative Coordinating Commission within three working days.

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

Sec. 11. **COMPENSATION STUDY.**

The commissioner of management and budget must contract with an independent consultant to conduct a comprehensive market analysis of compensation for managerial positions in the executive branch in order to better align compensation for these positions with comparable positions in the private sector and with other relevant public sector employers. The analysis should evaluate total compensation, including insurance, retirement, and performance pay.

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

Sec. 12. **CONSTITUTIONAL OFFICERS SALARIES.**

The salary of the governor is increased by three percent effective January 1, 2015, and by three percent on January 1, 2016. The salaries of the other constitutional officers shall be adjusted to retain their proportional relationship as of January 1, 2013, to the salary of the governor.

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

Sec. 13. **REPEALER.**

Minnesota Statutes 2012, section 43A.17, subdivision 4, is repealed."

Delete the title and insert:

"A bill for an act relating to the operation of state government; providing funding for the legislature, constitutional officers and other agencies, boards, councils, commissions, and state entities; changing certain state government programs; changing powers and duties of certain state officers; repealing the Minnesota Sunset Act; requiring the chair of the Legislative Advisory Commission alternate between a member of the senate and a member of the house of representatives; requiring the chair of the Legislative Advisory Commission be a senate member in 2013; allowing the Legislative Advisory Commission to accept grants and gifts related to the commission's duties; requiring data security audits by the legislative auditor under certain circumstances; requiring notification of the legislative auditor when public resources have been used unlawfully or government data has been accessed unlawfully; allowing the secretary of state authority to accept funds from local government units for election

systems enhancements and to receive certain funds for the address confidentiality program; allowing the state auditor to change a onetime user fee for a small city and town accounting system software; changing provisions for bid solicitations and proposals; changing certain provisions for service contracts and the solicitation process; requiring a determination of the information technology cost for agency technology cost for agency technology projects; expanding E-Government initiative and establishing the E-Government Advisory Council; allowing a convenience fee for users of NorthStar or online government information services; changing certain audit provisions relating to duties of the state auditor and the legislative auditor; allowing the state auditor to bill counties and political subdivisions periodically for services rendered; establishing a state auditor enterprise fund; modifying provisions for general noncommercial radio station and equipment grants; removing investigative powers of the Mississippi River Parkway Commission; changing a paid military leave provision; modifying provisions in the Veterans Service Office grant program; changing provisions in the Minnesota GI Bill program; establishing presumption of rehabilitation by an honorable discharge status from military service following a prior offense; providing for a bid preference for contracts for veteran-owned small businesses; allowing active duty service members to take a peace officer reciprocity exam; making Department of Revenue changes; establishing electronic filing requirements; establishing an automobile theft prevention surcharge; requesting the legislative auditor conduct a data security of the Department of Revenue's use of debit cards for tax refunds; adjusting certain salary groups; making compensation council changes; requiring a compensation study; adjusting constitutional officers salaries; requiring reports; appropriating money; amending Minnesota Statutes 2012, sections 3.30, subdivision 2; 3.303, by adding a subdivision; 3.85, subdivisions 8, 9; 3.855, subdivision 3; 3.885, by adding a subdivision; 3.971, subdivision 6, by adding subdivisions; 6.48; 6.56, subdivision 2; 13.591, subdivision 3; 15A.0815, subdivisions 1, 2, 3, 5; 15A.082, subdivisions 1, 2, 3; 16A.10, subdivision 1c; 16A.82; 16C.02, subdivision 13; 16C.06, subdivision 2; 16C.09; 16C.10, subdivision 6; 16C.145; 16C.33, subdivision 3; 16C.34, subdivision 1; 16E.07, by adding a subdivision; 32C.04; 43A.17, subdivisions 1, 3; 65B.84, subdivision 1; 129D.14, subdivisions 2, 3; 129D.15; 129D.155; 161.1419, subdivision 3; 192.26; 197.608, subdivisions 1, 3, 4, 5, 6; 197.791, subdivisions 4, 5; 254A.035, subdivision 2; 254A.04; 256B.093, subdivision 1; 260.835, subdivision 2; 270C.69, subdivision 1; 289A.20, subdivisions 2, 4; 289A.26, subdivision 2a; 295.55, subdivision 4; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 364.03, subdivision 3; 469.3201; 471.699; 473.843, subdivision 3; 626.8517; Laws 2012, chapter 278, article 1, section 5; article 2, sections 27; 34; proposing coding for new law in Minnesota Statutes, chapters 5; 5B; 6; 16E; 297I; 471; repealing Minnesota Statutes 2012, sections 3.304, subdivisions 1, 5; 3.885, subdivision 10; 3D.01; 3D.02; 3D.03; 3D.04; 3D.045; 3D.05; 3D.06; 3D.065; 3D.07; 3D.08; 3D.09; 3D.10; 3D.11; 3D.12; 3D.13; 3D.14; 3D.15; 3D.16; 3D.17; 3D.18; 3D.19; 3D.20; 3D.21, subdivisions 2, 3, 4, 5, 6, 7, 8; 6.58; 43A.17, subdivision 4; 168A.40, subdivisions 3, 4; 197.608, subdivision 2a; 270C.145; Laws 2012, chapter 278, article 1, section 6."

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

Senate Conferees: TOM SAXHAUG, RICHARD J. COHEN, CHRIS A. EATON, BOBBY JOE CHAMPION and MELISA FRANZEN.

House Conferees: MARY MURPHY, JERRY NEWTON, MICHAEL V. NELSON, STEVE SIMON and JOHN PERSELL.

Murphy, M., moved that the report of the Conference Committee on S. F. No. 1589 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Murphy, M., motion and the roll was called. There were 73 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorholt	Huntley	Mariani	Norton	Slocum
Allen	Erhardt	Isaacson	Marquart	Paymar	Sundin
Anzelc	Erickson, R.	Johnson, C.	Masin	Pelowski	Wagenius
Atkins	Falk	Johnson, S.	McNamar	Persell	Ward, J.A.
Benson, J.	Faust	Kahn	Melin	Poppe	Ward, J.E.
Bernardy	Fischer	Laine	Metsa	Radinovich	Winkler
Bly	Freiberg	Lenczewski	Moran	Rosenthal	Yarusso
Brynaert	Fritz	Lesch	Morgan	Savick	Spk. Thissen
Carlson	Halverson	Liebling	Mullery	Sawatzky	
Clark	Hansen	Lien	Murphy, E.	Schoen	
Davnie	Hilstrom	Lillie	Murphy, M.	Selcer	
Dehn, R.	Hornstein	Loeffler	Nelson	Simon	
Dill	Hortman	Mahoney	Newton	Simonson	

Those who voted in the negative were:

Albright	Dean, M.	Gunther	Kiel	Nornes	Scott
Anderson, M.	Dettmer	Hackbarth	Kresha	O'Driscoll	Swedzinski
Anderson, P.	Drazkowski	Hamilton	Leidiger	O'Neill	Theis
Anderson, S.	Erickson, S.	Hertaus	Lohmer	Peppin	Torkelson
Barrett	Fabian	Holberg	Loon	Petersburg	Uglem
Beard	FitzSimmons	Hoppe	Mack	Pugh	Urdahl
Benson, M.	Franson	Howe	McDonald	Quam	Wills
Cornish	Garofalo	Johnson, B.	McNamara	Runbeck	Woodard
Daudt	Green	Kelly	Myhra	Sanders	Zellers
Davids	Gruenhagen	Kieffer	Newberger	Schomacker	Zerwas

The motion prevailed.

S. F. No. 1589, A bill for an act relating to the operation of state government finance; allowing the secretary of state authority to accept funds from local government units for election systems enhancements and to receive certain funds for the address confidentiality program; allowing the state auditor to charge a onetime user fee for a small city and town accounting system software; changing provisions for bid solicitations and proposals; changing certain provisions for service contracts and the solicitation process; requiring a determination of the IT cost for agency technology projects; expanding E-Government initiative and establishing the E-Government Advisory Council; changing certain audit provisions from the state auditor to the legislative auditor; repealing the Minnesota Sunset Act; changing provisions for barbering and cosmetology; changing licensing provisions for accountants; changing a paid military leave provision; modifying provisions in the Veterans Service Office grant program; changing provision in the Minnesota GI Bill program; establishing a veterans home in Beltrami County; making Department of Revenue changes; making compensation council changes and requiring a compensation study; adjusting certain salary groups; establishing administrative penalties; establishing fees; appropriating money; amending Minnesota Statutes 2012, sections 3.099, subdivision 1; 3.855, subdivision 3; 13.591, subdivision 3; 15A.0815, subdivisions 1, 2, 3, 5; 15A.082, subdivision 2; 16A.82; 16C.02, subdivision 13; 16C.06, subdivision 2; 16C.09; 16C.10, subdivision 6; 16C.145; 16C.33, subdivision 3; 16C.34, subdivision 1; 16E.07, by adding a subdivision; 32C.04; 43A.17, subdivisions 1, 3; 65B.84, subdivision 1; 154.001, by adding a subdivision; 154.003; 154.02; 154.05; 154.06; 154.065, subdivision 2; 154.07, subdivision 1; 154.08; 154.09; 154.10, subdivision 1; 154.11, subdivision 1; 154.12; 154.14; 154.15, subdivision 2; 154.26; 155A.23, subdivision 3; 155A.25, subdivisions 1a, 4; 155A.27, subdivisions 4, 7, 10; 155A.29, subdivision 2; 155A.30, subdivision 1, by adding subdivisions; 192.26; 197.608,

subdivisions 1, 3, 4, 5, 6; 197.791, subdivisions 4, 5; 254A.035, subdivision 2; 254A.04; 256B.093, subdivision 1; 260.835, subdivision 2; 270C.69, subdivision 1; 289A.20, subdivisions 2, 4; 289A.26, subdivision 2a; 295.55, subdivision 4; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 326A.04, subdivisions 2, 3, 5, 7; 326A.10; 469.3201; 473.843, subdivision 3; Laws 2012, chapter 278, article 1, section 5; article 2, sections 27; 34; proposing coding for new law in Minnesota Statutes, chapters 4; 5; 5B; 6; 16E; 154; 155A; 198; 297I; repealing Minnesota Statutes 2012, sections 3D.01; 3D.02; 3D.03; 3D.04; 3D.045; 3D.05; 3D.06; 3D.065; 3D.07; 3D.08; 3D.09; 3D.10; 3D.11; 3D.12; 3D.13; 3D.14; 3D.15; 3D.16; 3D.17; 3D.18; 3D.19; 3D.20; 3D.21, subdivisions 2, 3, 4, 5, 6, 7, 8; 43A.17, subdivision 4; 155A.25, subdivision 1; 168A.40, subdivisions 3, 4; 197.608, subdivision 2a; 270C.145; 326A.03, subdivisions 2, 5, 8; Laws 2012, chapter 278, article 1, section 6; Minnesota Rules, parts 1105.0600; 1105.2550; 1105.2700.

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

The question was taken on the repassage of the bill and the roll was called. There were 73 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Huntley	Mariani	Norton	Slocum
Allen	Dorholt	Isaacson	Marquart	Paymar	Sundin
Anzelc	Erhardt	Johnson, C.	Masin	Pelowski	Wagenius
Atkins	Erickson, R.	Johnson, S.	McNamar	Persell	Ward, J.A.
Benson, J.	Falk	Kahn	Melin	Poppe	Ward, J.E.
Bernardy	Faust	Laine	Metsa	Radinovich	Winkler
Bly	Fischer	Lenczewski	Moran	Rosenthal	Yarusso
Brynaert	Freiberg	Lesch	Morgan	Savick	Spk. Thissen
Carlson	Fritz	Liebling	Mullery	Sawatzky	
Clark	Hansen	Lien	Murphy, E.	Schoen	
Davids	Hilstrom	Lillie	Murphy, M.	Selcer	
Davnie	Hornstein	Loeffler	Nelson	Simon	
Dehn, R.	Hortman	Mahoney	Newton	Simonson	

Those who voted in the negative were:

Albright	Dettmer	Hackbarth	Kiel	Nornes	Scott
Anderson, M.	Drazkowski	Halverson	Kresha	O'Driscoll	Swedzinski
Anderson, P.	Erickson, S.	Hamilton	Leidiger	O'Neill	Theis
Anderson, S.	Fabian	Hertaus	Lohmer	Peppin	Torkelson
Barrett	FitzSimmons	Holberg	Loon	Petersburg	Uglem
Beard	Franson	Hoppe	Mack	Pugh	Urdahl
Benson, M.	Garofalo	Howe	McDonald	Quam	Wills
Cornish	Green	Johnson, B.	McNamara	Runbeck	Woodard
Daudt	Gruenhagen	Kelly	Myhra	Sanders	Zellers
Dean, M.	Gunther	Kieffer	Newberger	Schomacker	Zerwas

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

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. 228, A bill for an act relating to public safety; creating increased penalties for wildfire arson that damages multiple buildings or dwellings, acreage, or crops or causes demonstrable bodily harm; adding restitution provisions; amending Minnesota Statutes 2012, section 609.5641, subdivisions 1, 3, by adding a subdivision.

JOANNE M. ZOFF, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Johnson, B., moved that the House concur in the Senate amendments to H. F. No. 228 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 228, A bill for an act relating to public safety; creating increased penalties for wildfire arson that damages multiple buildings or dwellings, acreage, or crops, or causes demonstrable bodily harm; adding restitution provisions; amending Minnesota Statutes 2012, section 609.5641, subdivisions 1, 3, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hoppe	Mack	O'Neill	Sundin
Albright	Dill	Hornstein	Mahoney	Paymar	Swedzinski
Allen	Dorholt	Hortman	Mariani	Pelowski	Theis
Anderson, M.	Erhardt	Howe	Marquart	Persell	Torkelson
Anderson, S.	Erickson, R.	Huntley	Masin	Petersburg	Uglem
Anzelc	Fabian	Isaacson	McDonald	Poppe	Urdahl
Atkins	Falk	Johnson, B.	McNamar	Pugh	Wagenius
Barrett	Faust	Johnson, C.	McNamara	Quam	Ward, J.A.
Beard	Fischer	Johnson, S.	Metsa	Radinovich	Ward, J.E.
Benson, J.	FitzSimmons	Kahn	Moran	Rosenthal	Wills
Benson, M.	Franson	Kelly	Morgan	Runbeck	Winkler
Bernardy	Freiberg	Kresha	Mullery	Sanders	Woodard
Bly	Fritz	Laine	Murphy, E.	Savick	Yarusso
Brynaert	Garofalo	Leidiger	Murphy, M.	Sawatzky	Zellers
Carlson	Green	Lenczewski	Myhra	Schoen	Zerwas
Clark	Gruenhagen	Lesch	Nelson	Schomacker	Spk. Thissen
Cornish	Gunther	Lien	Newberger	Scott	
Daudt	Halverson	Lillie	Newton	Selcer	
Davids	Hamilton	Loeffler	Nornes	Simon	
Davnie	Hertaus	Lohmer	Norton	Simonson	
Dean, M.	Hilstrom	Loon	O'Driscoll	Slocum	

Those who voted in the negative were:

Anderson, P.	Drazkowski	Hackbarth	Holberg	Kiel	Melin
Dehn, R.	Erickson, S.	Hansen	Kieffer	Liebling	Peppin

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

There being no objection, the order of business reverted to Introduction and First Reading of House Bills.

### **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House File was introduced:

Paymar introduced:

H. F. No. 1862, A bill for an act proposing an amendment to the Minnesota Constitution; providing for a unicameral legislature; changing article IV; article VIII, sections 1 and 6; article IX, sections 1 and 2; and article XI, section 5; providing by statute for a legislature of 99 members; amending Minnesota Statutes 2012, sections 2.021; 2.031, subdivision 1.

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

### **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. 677, A bill for an act relating to financing of state and local government; making changes to individual income, corporate franchise, property, sales and use, estate, mineral, liquor, tobacco, aggregate materials, local, and other taxes and tax-related provisions; restoring the school district current year aid payment shift percentage to 90; conforming to federal section 179 expensing allowances; imposing an income surcharge; allowing an up-front exemption for capital equipment; modifying the definition of income for the property tax refund; decreasing the threshold percentage for the homestead credit refund for homeowners and the property tax refund for renters; increasing the maximum refunds for renters; changing property tax aids and credits; imposing an insurance surcharge; modifying pension aids; providing pension funding; changing provisions of the Sustainable Forest Incentive Act; modifying definitions for property taxes; providing exemptions; creating joint entertainment facilities coordination; imposing a sports memorabilia gross receipts tax; changing tax rates on tobacco and liquor; providing reimbursement for certain property tax abatement; modifying the small business investment tax credit; expanding the definition of domestic corporation to include foreign corporations incorporated in or doing business in tax havens; making changes to additions and subtractions from federal taxable income; changing rates for individuals, estates, and trusts; providing for charitable contributions and veterans jobs tax credits; modifying estate tax exclusions for qualifying small business and farm property; imposing a gift tax; expanding the sales tax to include suite and box seat rentals; modifying the definition of sales and purchase; changing the tax rate and modifying provisions for the rental motor vehicle tax; modifying nexus provisions; providing for multiple points of use certificates; modifying exemptions; authorizing local sales taxes; authorizing economic development powers; providing authority, organization, powers, and duties for development of a Destination Medical Center; authorizing state infrastructure aid; imposing a tax on extraction and processing of fracturing sand; providing a taconite production tax grant for water supply improvements; authorizing taconite production tax bonds for grants to school

districts; modifying and providing provisions for public finance; modifying the definition of market value for tax, debt, and other purposes; requiring labor peace agreements on certain qualifying projects; making conforming, policy, and technical changes to tax provisions; requiring studies and reports; appropriating money; amending Minnesota Statutes 2012, sections 16A.152, subdivision 2; 16A.46; 38.18; 40A.15, subdivision 2; 69.011, subdivision 1; 69.021, subdivisions 7, 8, by adding a subdivision; 88.51, subdivision 3; 103B.102, subdivision 3; 103B.245, subdivision 3; 103B.251, subdivision 8; 103B.335; 103B.3369, subdivision 5; 103B.635, subdivision 2; 103B.691, subdivision 2; 103C.501, subdivision 4; 103D.905, subdivisions 2, 3, 8; 103F.405, subdivision 1; 116J.8737, subdivisions 1, 2, 8; 117.025, subdivision 7; 118A.04, subdivision 3; 118A.05, subdivision 5; 123A.455, subdivision 1; 123B.75, subdivision 5; 126C.48, subdivision 8; 127A.45, subdivision 2; 127A.48, subdivision 1; 138.053; 144F.01, subdivision 4; 162.07, subdivisions 3, 4; 163.04, subdivision 3; 163.051; 163.06, subdivision 6; 165.10, subdivision 1; 168.012, subdivision 9, by adding a subdivision; 216C.436, subdivision 7; 237.52, subdivision 3, by adding a subdivision; 270.077; 270.41, subdivision 5; 270B.01, subdivision 8; 270B.12, subdivision 4; 270C.34, subdivision 1; 270C.38, subdivision 1; 270C.42, subdivision 2; 270C.56, subdivision 1; 271.06, by adding a subdivision; 272.01, subdivision 2; 272.02, subdivisions 39, 97, by adding subdivisions; 272.03, subdivision 9, by adding subdivisions; 273.032; 273.11, subdivision 1, by adding a subdivision; 273.114, subdivision 6; 273.124, subdivisions 3a, 13; 273.13, subdivisions 21b, 23, 25; 273.1398, subdivisions 3, 4; 273.19, subdivision 1; 273.372, subdivision 4; 273.39; 275.011, subdivision 1; 275.077, subdivision 2; 275.71, subdivision 4; 276.04, subdivision 2; 276A.01, subdivisions 10, 12, 13, 15; 276A.06, subdivision 10; 279.01, subdivision 1, by adding a subdivision; 279.02; 279.06, subdivision 1; 287.05, by adding a subdivision; 287.08; 287.20, by adding a subdivision; 287.23, subdivision 1; 287.385, subdivision 7; 289A.02, subdivision 7; 289A.08, subdivisions 1, 3, 7; 289A.10, subdivision 1, by adding a subdivision; 289A.12, subdivision 14, by adding a subdivision; 289A.18, by adding a subdivision; 289A.20, subdivisions 3, 4, by adding a subdivision; 289A.26, subdivisions 3, 4, 7, 9; 289A.55, subdivision 9; 289A.60, subdivision 4; 290.01, subdivisions 5, 19, as amended, 19a, 19b, 19c, 19d, 31, as amended, by adding subdivisions; 290.06, subdivisions 2c, 2d, by adding subdivisions; 290.067, subdivisions 1, 2a; 290.0671, subdivision 1; 290.0675, subdivision 1; 290.0677, subdivision 2; 290.068, subdivisions 3, 6a; 290.0681, subdivisions 1, 3, 4, 5; 290.091, subdivision 2; 290.0921, subdivision 3; 290.0922, subdivision 1; 290.17, subdivision 4; 290.21, subdivision 4; 290.9705, subdivision 1; 290A.03, subdivisions 3, 15, as amended; 290A.04, subdivisions 2, 2a, 4; 290B.04, subdivision 2; 290C.02, subdivision 6; 290C.05; 290C.07; 291.005, subdivision 1; 291.03, subdivisions 1, 8, 9, 10, 11, by adding a subdivision; 296A.01, subdivision 19, by adding a subdivision; 296A.22, subdivisions 1, 3; 297A.61, subdivisions 3, 4, by adding a subdivision; 297A.64, subdivisions 1, 2; 297A.66, by adding a subdivision; 297A.665; 297A.668, by adding a subdivision; 297A.67, subdivision 7; 297A.68, subdivision 5; 297A.70, subdivisions 4, 8, by adding subdivisions; 297A.71, by adding subdivisions; 297A.75, subdivisions 1, 2, 3; 297A.815, subdivision 3; 297A.993, subdivisions 1, 2; 297B.11; 297E.021, subdivision 2; 297E.14, subdivision 7; 297F.01, subdivisions 3, 19, 23, by adding a subdivision; 297F.05, subdivisions 1, 3, 4, by adding a subdivision; 297F.09, subdivision 9; 297F.18, subdivision 7; 297F.24, subdivision 1; 297F.25, subdivision 1; 297G.03, subdivision 1, by adding a subdivision; 297G.04; 297G.09, subdivision 8; 297G.17, subdivision 7; 297I.05, subdivisions 7, 11, 12; 297I.30, subdivisions 1, 2; 297I.80, subdivision 1; 298.01, subdivisions 3, 3b, 4; 298.018; 298.227, as amended; 298.24, subdivision 1; 298.28, subdivisions 4, 6, 10; 298.75, subdivision 2; 325D.32, subdivision 2; 353G.08, subdivision 2; 365.025, subdivision 4; 366.095, subdivision 1; 366.27; 368.01, subdivision 23; 368.47; 370.01; 373.01, subdivisions 1, 3; 373.40, subdivisions 1, 2, 4; 375.167, subdivision 1; 375.18, subdivision 3; 375.555; 383B.152; 383B.245; 383B.73, subdivision 1; 383D.41, by adding a subdivision; 383E.20; 383E.23; 385.31; 394.36, subdivision 1; 398A.04, subdivision 8; 401.05, subdivision 3; 403.02, subdivision 21, by adding subdivisions; 403.06, subdivision 1a; 403.11, subdivision 1, by adding a subdivision; 410.32; 412.221, subdivision 2; 412.301; 428A.02, subdivision 1; 430.102, subdivision 2; 447.10; 450.19; 450.25; 458A.10; 458A.31, subdivision 1; 465.04; 469.033, subdivision 6; 469.034, subdivision 2; 469.053, subdivisions 4, 4a, 6; 469.071, subdivision 5; 469.107, subdivision 1; 469.169, by adding a subdivision; 469.176, subdivisions 4c, 4g, 6; 469.177, by adding a subdivision; 469.180, subdivision 2; 469.187; 469.190, subdivision 7, by adding a subdivision; 469.206; 469.319, subdivision 4; 469.340, subdivision 4; 471.24; 471.571, subdivisions 1, 2; 471.73; 473.325, subdivision 2; 473.39, by adding a subdivision; 473.629; 473.661, subdivision 3; 473.667, subdivision 9; 473.671; 473.711, subdivision 2a; 473F.02, subdivisions 12, 14, 15, 23; 473F.08, subdivision 10, by adding a subdivision; 474A.04, subdivision 1a; 474A.062; 474A.091, subdivision 3a; 475.521, subdivisions 1, 2, 4; 475.53, subdivisions 1, 3, 4; 475.58, subdivisions 2, 3b; 475.73, subdivision 1; 477A.011, subdivisions 20, 30, 32, 34, 42, by adding subdivisions; 477A.0124, subdivision 2; 477A.013, subdivisions 8, 9, by adding a subdivision; 477A.015; 477A.03, subdivisions 2a, 2b, by adding a subdivision; 641.23; 641.24; 645.44, by adding a subdivision; Laws 1971, chapter

773, section 1, subdivision 2, as amended; Laws 1988, chapter 645, section 3, as amended; Laws 1993, chapter 375, article 9, section 46, subdivisions 2, as amended, 5, as amended; Laws 1998, chapter 389, article 8, section 43, subdivisions 1, 3, as amended, 5, as amended; Laws 1999, chapter 243, article 6, section 11; Laws 2002, chapter 377, article 3, section 25, as amended; Laws 2005, First Special Session chapter 3, article 5, section 37, subdivisions 2, 4; Laws 2008, chapter 366, article 5, sections 26; 33; 34, as amended; article 7, section 19, subdivision 3, as amended; Laws 2010, chapter 216, section 55; Laws 2010, chapter 389, article 1, section 12; article 5, section 6, subdivisions 4, 6; Laws 2010, First Special Session chapter 1, article 13, section 4, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapters 116C; 287; 290; 290A; 292; 295; 297I; 403; 435; 469; proposing coding for new law as Minnesota Statutes, chapter 297J; repealing Minnesota Statutes 2012, sections 16A.725; 256.9658; 272.69; 273.11, subdivisions 1a, 22; 276A.01, subdivision 11; 289A.60, subdivision 31; 290.01, subdivision 6b; 290.06, subdivision 22a; 290.0672; 290.0921, subdivision 7; 383A.80, subdivision 4; 383B.80, subdivision 4; 428A.101; 428A.21; 473F.02, subdivision 13; 477A.011, subdivisions 2a, 19, 21, 29, 31, 32, 33, 36, 39, 40, 41, 42; 477A.013, subdivisions 11, 12; 477A.0133; 477A.0134; Laws 2006, chapter 259, article 11, section 3, as amended; Laws 2009, chapter 88, article 4, section 23, as amended.

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.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1664.

JOANNE M. ZOFF, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 1664, A bill for an act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 2012, sections 15.985; 62A.65, subdivision 3a, as added, if enacted; 120B.024, subdivision 2, as amended, if enacted; 120B.36, subdivision 1, as amended, if enacted; 124D.10, subdivision 4, as amended, if enacted; 124D.4531, subdivision 1, as amended, if enacted; 125A.76, subdivisions 1, as amended, 2c, as added, if enacted; 260B.171, subdivision 9, as added; 477A.013, subdivision 9, as amended, if enacted; 477A.12, subdivision 1, as amended, if enacted; 2013 H. F. 630, article 1, section 58, subdivision 2, article 2, section 18, subdivision 2, article 3, section 37, subdivision 20, article 4, section 1, article 5, section 31, subdivision 2, if enacted; H. F. 677, article 3, sections 1, 7, article 4, section 48, subdivision 5, article 5, section 27, subdivision 1, article 11, section 10, if enacted; 2013 H. F. No. 729, article 1, section 3, subdivision 3, by adding a subdivision, article 6, section 8, subdivision 3, if enacted; 2013 H. F. No. 1233, article 12, section 110, article 14, section 2, subdivisions 4, 6, if enacted; 2013 S. F. No. 671, article 1, section 12, subdivision 3, if enacted.

The bill was read for the first time.

### **DECLARATION OF URGENCY**

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Freiberg moved that the rule therein be suspended and an urgency be declared and that the rules of the House be so far suspended so that S. F. No. 1664 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1664 was read for the second time.

S. F. No. 1664, A bill for an act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 2012, sections 15.985; 62A.65, subdivision 3a, as added, if enacted; 120B.024, subdivision 2, as amended, if enacted; 120B.36, subdivision 1, as amended, if enacted; 124D.10, subdivision 4, as amended, if enacted; 124D.4531, subdivision 1, as amended, if enacted; 125A.76, subdivisions 1, as amended, 2c, as added, if enacted; 260B.171, subdivision 9, as added; 477A.013, subdivision 9, as amended, if enacted; 477A.12, subdivision 1, as amended, if enacted; 2013 H. F. 630, article 1, section 58, subdivision 2, article 2, section 18, subdivision 2, article 3, section 37, subdivision 20, article 4, section 1, article 5, section 31, subdivision 2, if enacted; H. F. 677, article 3, sections 1, 7, article 4, section 48, subdivision 5, article 5, section 27, subdivision 1, article 11, section 10, if enacted; 2013 H. F. No. 729, article 1, section 3, subdivision 3, by adding a subdivision, article 6, section 8, subdivision 3, if enacted; 2013 H. F. No. 1233, article 12, section 110, article 14, section 2, subdivisions 4, 6, if enacted; 2013 S. F. No. 671, article 1, section 12, subdivision 3, if enacted.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehn, R.	Hertaus	Lillie	O'Driscoll	Slocum
Albright	Dettmer	Hilstrom	Loeffler	O'Neill	Sundin
Allen	Dill	Holberg	Loon	Paymar	Swedzinski
Anderson, M.	Dorholt	Hoppe	Mack	Pelowski	Theis
Anderson, P.	Drazkowski	Hornstein	Mahoney	Peppin	Torkelson
Anderson, S.	Erhardt	Hortman	Mariani	Persell	Uglen
Anzelc	Erickson, R.	Howe	Marquart	Petersburg	Urdahl
Atkins	Erickson, S.	Huntley	Masin	Poppe	Wagenius
Barrett	Fabian	Isaacson	McDonald	Pugh	Ward, J.A.
Beard	Falk	Johnson, C.	McNamar	Quam	Ward, J.E.
Benson, J.	Faust	Johnson, S.	McNamara	Radinovich	Wills
Benson, M.	Fischer	Kahn	Melin	Rosenthal	Winkler
Bernardy	Franson	Kelly	Metsa	Runbeck	Woodard
Bly	Freiberg	Kieffer	Moran	Sanders	Yarusso
Brynaert	Fritz	Kiel	Morgan	Savick	Zellers
Carlson	Green	Kresha	Mullery	Sawatzky	Zerwas
Clark	Gruenhagen	Laine	Murphy, E.	Schoen	Spk. Thissen
Cornish	Gunther	Leidiger	Murphy, M.	Schomacker	
Daudt	Hackbarth	Lenczewski	Myhra	Scott	
Davids	Halverson	Lesch	Nelson	Selcer	
Davnie	Hamilton	Liebling	Newton	Simon	
Dean, M.	Hansen	Lien	Norton	Simonson	

Those who voted in the negative were:

FitzSimmons      Lohmer      Newberger

The bill was passed and its title agreed to.

## MOTIONS AND RESOLUTIONS

Dettmer moved that the name of Bernardy be added as an author on H. F. No. 62. The motion prevailed.

Simon moved that the name of Bernardy be added as an author on H. F. No. 193. The motion prevailed.

Johnson, B., moved that the name of Bernardy be added as an author on H. F. No. 722. The motion prevailed.

Hansen moved that the name of Johnson, C., be added as an author on H. F. No. 868. The motion prevailed.

Hausman moved that her name be stricken as an author and the name of Ward J. E., be shown as chief author on H. F. No. 1070. The motion prevailed.

Pelowski moved that the names of Bernardy and Atkins be added as authors on H. F. No. 1692. The motion prevailed.

#### ADJOURNMENT

Murphy, E., moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, February 25, 2014. The motion prevailed.

Murphy, E., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, February 25, 2014.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives