

## STATE OF MINNESOTA

## EIGHTY-NINTH SESSION — 2016

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 EIGHTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 11, 2016

The House of Representatives convened at 4:00 p.m. and was called to order by Kurt Daudt, Speaker of the House.

Prayer was offered by the Reverend Jon Ellefson, Rosemount, 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:

Albright	Dehn, R.	Hoppe	Lucero	O'Neill	Smith
Anderson, C.	Dettmer	Hornstein	Lueck	Pelowski	Sundin
Anderson, M.	Drazkowski	Hortman	Mack	Peppin	Swedzinski
Anderson, P.	Ecklund	Howe	Mahoney	Persell	Theis
Anderson, S.	Erhardt	Johnson, B.	Mariani	Petersburg	Thissen
Anzelc	Erickson	Johnson, C.	Marquart	Peterson	Torkelson
Applebaum	Fenton	Johnson, S.	Masin	Pierson	Uglen
Atkins	Flanagan	Kahn	McDonald	Pinto	Urdahl
Backer	Franson	Kelly	McNamara	Poppe	Vogel
Baker	Freiberg	Kiel	Metsa	Pugh	Wagenius
Barrett	Garofalo	Knoblach	Miller	Quam	Ward
Bennett	Green	Koznick	Moran	Rarick	Whelan
Bernardy	Gruenhagen	Kresha	Mullery	Rosenthal	Wills
Bly	Gunther	Laine	Murphy, E.	Runbeck	Yarusso
Carlson	Hackbarth	Lesch	Murphy, M.	Sanders	Youakim
Christensen	Hamilton	Liebling	Nash	Schoen	Zerwas
Clark	Hancock	Lien	Nelson	Schomacker	Spk. Daudt
Considine	Hansen	Lillie	Newberger	Schultz	
Cornish	Hausman	Loeffler	Newton	Scott	
Daniels	Heintzeman	Lohmer	Nornes	Selcer	
Davids	Hertaus	Loon	Norton	Simonson	
Dean, M.	Hilstrom	Loonan	O'Driscoll	Slocum	

A quorum was present.

Fabian, Fischer, Halverson and Melin were excused.

Davnie and Isaacson were excused until 4:15 p.m. Allen was excused until 4:40 p.m.

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

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 644, A bill for an act relating to health occupations; establishing registration for massage and bodywork therapy; establishing fees; proposing coding for new law in Minnesota Statutes, chapters 148; 325F.

Reported the same back with the following amendments:

Page 2, line 18, after the period, insert "This definition applies to massage and bodywork therapy performed by individuals registered under sections 148.981 to 148.9886, and does not apply to practitioners who provide complementary and alternative health care under chapter 146A."

Page 2, line 26, after the period, insert "This definition applies to massage and bodywork therapy performed by individuals registered under sections 148.981 to 148.9886, and does not apply to practitioners who provide complementary and alternative health care under chapter 146A."

Page 3, line 4, after "(a)" insert "For purposes of sections 148.981 to 148.9886,"

Page 4, delete lines 26 to 28 and insert:

"(2) a practitioner who is engaged in providing complementary and alternative health care practices as defined in section 146A.01, subdivision 4, provided that the practitioner does not advertise or imply that the practitioner is registered according to sections 148.981 to 148.9886."

Page 7, delete subdivision 2 and insert:

"Subd. 2. **Registration prohibited.** The board shall deny an application for registration if an applicant:

(1) has been convicted in this state of any of the following crimes, or of equivalent crimes in another state:

(i) prostitution as defined under section 609.321, 609.324, or 609.3242;

(ii) human trafficking as defined under section 609.282, 609.283, or 609.322;

(iii) criminal sexual conduct under sections 609.342 to 609.3451 or 609.3453; or

(iv) a violent crime as defined under section 611A.08, subdivision 6;

(2) is a registered sex offender under section 243.166;

(3) has been subject to disciplinary action under section 146A.09 or similar provision under the laws of another state, if the board determines such a denial is necessary to protect the public; or

(4) is charged with or under investigation for a complaint in this state or any state that would constitute a violation of statutes or rules established for the practice of massage and bodywork therapy in this state, and the charge or complaint has not been resolved in favor of the applicant."

Page 15, delete lines 4 and 5

Renumber the clauses in sequence

Page 15, after line 16, insert:

"Sec. 15. [148.9886] EXCHANGING INFORMATION.

The board shall report to the Office of Complementary and Alternative Health Practices all revocations or suspensions of registered massage and bodywork therapists. Upon request by the Office of Complementary and Alternative Health Practices, the board may share all complaint, investigatory, and disciplinary data relating to a previously or currently registered massage and bodywork therapist."

Page 15, after line 20, insert:

"Section 1. Minnesota Statutes 2014, section 146A.06, subdivision 3, is amended to read:

Subd. 3. **Exchanging information.** (a) The office shall establish internal operating procedures for:

(1) exchanging information with state boards; agencies, including the Office of Ombudsman for Mental Health and Developmental Disabilities; health-related and law enforcement facilities; departments responsible for licensing health-related occupations, facilities, and programs; and law enforcement personnel in this and other states; and

(2) coordinating investigations involving matters within the jurisdiction of more than one regulatory agency.

(b) The procedures for exchanging information must provide for the forwarding to the entities described in paragraph (a), clause (1), of information and evidence, including the results of investigations, that are relevant to matters within the regulatory jurisdiction of the organizations in paragraph (a). The data have the same classification in the hands of the agency receiving the data as they have in the hands of the agency providing the data.

(c) The office shall establish procedures for exchanging information with other states regarding disciplinary action against unlicensed complementary and alternative health care practitioners.

(d) The office shall forward to another governmental agency any complaints received by the office that do not relate to the office's jurisdiction but that relate to matters within the jurisdiction of the other governmental agency. The agency to which a complaint is forwarded shall advise the office of the disposition of the complaint. A complaint or other information received by another governmental agency relating to a statute or rule that the office is empowered to enforce must be forwarded to the office to be processed in accordance with this section.

(e) The office shall furnish to a person who made a complaint a description of the actions of the office relating to the complaint.

(f) The office shall report to the Board of Nursing all final disciplinary actions against individuals practicing massage and bodywork as unlicensed complementary and alternative health practitioners. Upon request by the Board of Nursing, the office may share all complaint, investigatory, and disciplinary data regarding a named individual who has practiced or is practicing massage and bodywork as an unlicensed complementary and alternative health practitioner.

Sec. 2. Minnesota Statutes 2014, section 146A.09, is amended by adding a subdivision to read:

Subd. 8. **Registered massage and bodywork therapists.** No person whose registration as a massage and bodywork therapist under sections 148.981 to 148.9886 has been suspended or revoked by the Board of Nursing may practice as an unlicensed complementary and alternative health care practitioner under chapter 146A during a period of suspension or revocation."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "providing for exchange of information;"

Correct the title numbers accordingly

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

The report was adopted.

Kelly from the Committee on Transportation Policy and Finance to which was referred:

H. F. No. 963, A bill for an act relating to utilities; establishing requirements relating to crossing railroad rights-of-way by utilities; amending Minnesota Statutes 2014, section 216B.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Page 1, line 22, delete "includes" and insert "does not include"

Page 2, line 7, delete "cablevision" and insert "cable television"

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

The report was adopted.

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

H. F. No. 1346, A bill for an act relating to transportation; designating a bridge over signed Interstate Highway 94 in St. Paul as John Alleman Memorial Bridge; amending Minnesota Statutes 2014, section 161.14, by adding a subdivision.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 1372, A bill for an act relating to trusts; providing for animal care; proposing coding for new law in Minnesota Statutes, chapter 501B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
TRUST CREATED FOR THE CARE OF ANIMALS

Section 1. Minnesota Statutes 2015 Supplement, section 501C.0110, is amended to read:

**501C.0110 OTHERS TREATED AS QUALIFIED BENEFICIARIES.**

(a) Whenever notice to qualified beneficiaries of a trust is required under this chapter, the trustee must also give notice to any other beneficiary who has sent the trustee a request for notice.

(b) A charitable organization expressly designated to receive distributions under the terms of a charitable trust has the rights of a qualified beneficiary under this chapter if the charitable organization, on the date the charitable organization's qualification is being determined:

(1) is a distributee or permissible distributee of trust income or principal;

(2) would be a distributee or permissible distributee of trust income or principal upon the termination of the interests of other distributees or permissible distributees then receiving or eligible to receive distributions; or

(3) would be a distributee or permissible distributee of trust income or principal if the trust terminated on that date.

(c) A person appointed to enforce a trust created for the care of an animal or another noncharitable purpose as provided in section 501C.0408 or 501C.0409 has the rights of a qualified beneficiary under this chapter.

~~(e)~~ (d) The attorney general of this state has the rights of a qualified beneficiary with respect to a charitable trust having its principal place of administration in this state.

Sec. 2. Minnesota Statutes 2015 Supplement, section 501C.0402, is amended to read:

**501C.0402 REQUIREMENTS FOR CREATION.**

(a) A trust is created only if:

(1) the settlor has capacity to transfer property free from trust, except that if a trust is a revocable trust, the settlor has capacity as required under section 501C.0601;

(2) the settlor indicates an intention to create the trust;

(3) the trust has a definite beneficiary or is:

(i) a charitable trust;

(ii) trust for the care of an animal, as provided in section 501C.0408; or

~~(ii)~~ (iii) a trust for a noncharitable purpose, as provided in section 501C.0409; and

(4) the trustee has duties to perform.

(b) A beneficiary is definite if the beneficiary can be ascertained now or in the future, subject to any applicable rule against perpetuities.

(c) A power in a trustee to select a beneficiary from an indefinite class is valid. If the power is not exercised within a reasonable time, the power fails and the property subject to the power passes to the persons who would have taken the property if the power had not been conferred.

(d) No trust is invalid or terminated, and title to trust assets is not merged, because the trustee or trustees are the same person or persons as the beneficiaries of the trust.

(e) Passive trusts of real or personal property are abolished. An attempt to create a passive trust vests the entire estate granted in the beneficiary.

Sec. 3. **[501C.0408] TRUST FOR CARE OF ANIMAL.**

Subdivision 1. **Creation of an animal trust authorized; termination.** A trust may be created to provide for the care of an animal alive during the settlor's lifetime. The trust terminates upon the death of the animal or, if the trust was created to provide for the care of more than one animal alive during the settlor's lifetime, upon the death of the last surviving animal. Notwithstanding the foregoing, the trust may not be enforced for more than 90 years.

Subd. 2. **Enforcement of trust.** A trust authorized by this section may be enforced by a person appointed in the terms of the trust or, if no person is appointed, by a person appointed by a court. A person having an interest in the welfare of the animal may request the court to appoint a person to enforce the trust or to remove an appointed person.

Subd. 3. **Application of trust property.** Property of a trust authorized by this section may be applied only to the trust's intended use, except to the extent a court determines that the value of the trust property exceeds the amount required for the intended use. Upon termination of the trust, or if the court determines the trust has excess funds, the trustee shall transfer the unexpended or excess trust property pursuant to the terms of the trust instrument or, if there is no provision in the trust instrument, then the trust passes to the settlor's heirs-at-law determined as if the settlor died intestate domiciled in this state at the time of distribution.

Subd. 4. **Public health programs and trusts.** An irrevocable inter vivos trust created under this section is subject to section 501C.1206.

Sec. 4. Minnesota Statutes 2015 Supplement, section 501C.0409, is amended to read:

**501C.0409 NONCHARITABLE TRUST WITHOUT ASCERTAINABLE BENEFICIARY.**

Except as otherwise provided ~~by law~~ in section 501C.0408 or by another statute, the following rules apply:

(1) A trust may be created for a noncharitable purpose without a definite or definitely ascertainable beneficiary or for a noncharitable but otherwise valid purpose to be selected by the trustee. The trust may not be enforced for more than 21 years.

(2) A trust authorized by this section may be enforced by a person appointed in the terms of the trust or, if no person is so appointed, by a person appointed by the court.

(3) Property of a trust authorized by this section may be applied only to its intended use, except to the extent the court determines that the value of the trust property exceeds the amount required for the intended use. Except as otherwise provided in the terms of the trust, property not required for the intended use must be distributed to the settlor, if then living, otherwise to the settlor's successors in interest.

## ARTICLE 2 PROBATE PROVISIONS MODIFIED

Section 1. Minnesota Statutes 2014, section 484.73, subdivision 2, is amended to read:

Subd. 2. **Exclusions.** Judicial arbitration may not be used to dispose of matters relating to ~~guardianship, conservatorship, or~~ civil commitment, matters within the juvenile court jurisdiction involving children in need of protection or services or delinquency, matters involving termination of parental rights under sections 260C.301 to 260C.328, or matters arising under sections 518B.01, 626.557, or 144.651 to 144.652.

Sec. 2. Minnesota Statutes 2014, section 524.1-201, is amended to read:

### **524.1-201 GENERAL DEFINITIONS.**

Subject to additional definitions contained in the subsequent articles which are applicable to specific articles or parts, and unless the context otherwise requires, in chapters 524 and 525:

- (1) "Adoptee" means an individual who is adopted.
- (2) "Application" means a written request to the registrar for an order of informal probate or appointment under article III, part 3.
- (3) "Assisted reproduction" means a method of causing pregnancy other than sexual intercourse.
- (4) "Beneficiary," as it relates to trust beneficiaries, includes a person who has any present or future interest, vested or contingent, and also includes the owner of an interest by assignment or other transfer and as it relates to a charitable trust, includes any person entitled to enforce the trust.
- (5) "Birth mother" means a woman who gives birth to a child, including a woman who is the child's genetic mother and including a woman who gives birth to a child of assisted reproduction. "Birth mother" does not include a woman who gives birth pursuant to a gestational agreement.
- (6) "Child" includes any individual entitled to take as a child under law by intestate succession from the parent whose relationship is involved and excludes any person who is only a stepchild, a foster child, a grandchild or any more remote descendant.
- (7) "Child of assisted reproduction" means a child conceived by means of assisted reproduction by a woman other than a child conceived pursuant to a gestational agreement.
- (8) "Claims" includes liabilities of the decedent whether arising in contract or otherwise and liabilities of the estate which arise after the death of the decedent including funeral expenses and expenses of administration. The term does not include taxes, demands or disputes regarding title of a decedent to specific assets alleged to be included in the estate, tort claims, foreclosure of mechanic's liens, or to actions pursuant to section 573.02.

(9) "Court" means the court or branch having jurisdiction in matters relating to the affairs of decedents. This court in this state is known as the district court.

(10) "Conservator" means a person who is appointed by a court to manage the estate of a protected person.

(11) "Descendant" of an individual means all of the individual's descendants of all generations, with the relationship of parent and child at each generation being determined by the definition of child and parent contained in this section.

(12) "Devise," when used as a noun, means a testamentary disposition of real or personal property and when used as a verb, means to dispose of real or personal property by will.

(13) "Devisee" means any person designated in a will to receive a devise. In the case of a devise to an existing trust or trustee, or to a trustee on trust described by will, the trust or trustee is the devisee and the beneficiaries are not devisees.

(14) "Disability" means cause for appointment of a conservator as described in section 524.5-401, or a protective order as described in section 524.5-412.

(15) "Distributee" means any person who has received or who will receive property of a decedent from the decedent's personal representative other than as a creditor or purchaser. A testamentary trustee is a distributee with respect to property which the trustee has received from a personal representative only to the extent of distributed assets or their increment remaining in the trustee's hands. A beneficiary of a testamentary trust to whom the trustee has distributed property received from a personal representative is a distributee of the personal representative. For purposes of this provision, "testamentary trustee" includes a trustee to whom assets are transferred by will, to the extent of the devised assets.

(16) "Divorce" includes an annulment, dissolution, and declaration of invalidity of marriage.

(17) "Estate" includes all of the property of the decedent, trust, or other person whose affairs are subject to this chapter as originally constituted and as it exists from time to time during administration.

(18) "Fiduciary" includes personal representative, guardian, conservator and trustee.

(19) "Foreign personal representative" means a personal representative of another jurisdiction.

(20) "Formal proceedings" means those conducted before a judge with notice to interested persons.

(21) "Functioned as a parent of the child" means behaving toward a child in a manner consistent with being the child's parent and performing functions that are customarily performed by a parent, including fulfilling parental responsibilities toward the child, recognizing or holding out the child as the individual's child, materially participating in the child's upbringing, and residing with the child in the same household as a regular member of that household.

(22) "Genetic father" means the man whose sperm fertilized the egg of a child's genetic mother. If the father-child relationship is established under the presumption of paternity under chapter 257, "genetic father" means only the man for whom that relationship is established.

(23) "Genetic mother" means the woman whose egg was fertilized by the sperm of a child's genetic father.

(24) "Genetic parent" means a child's genetic father or genetic mother.

(25) "Gestational agreement" means an agreement for assisted reproduction in which a woman agrees to carry a child to birth for an intended parent or intended parents.

(26) "Governing instrument" means a deed; will; trust; insurance or annuity policy; account with POD designation; security registered in beneficiary form (TOD); transfer on death (TOD) deed; pension, profit-sharing, retirement, or similar benefit plan; instrument creating or exercising a power of appointment or a power of attorney; or a dispositive, appointive, or nominative instrument of any similar type.

~~(26)~~ (27) "Guardian" means a person who has qualified as a guardian of a minor or incapacitated person pursuant to testamentary or court appointment, but excludes one who is merely a guardian ad litem.

~~(27)~~ (28) "Heirs" means those persons, including the surviving spouse, who are entitled under the statutes of intestate succession to the property of a decedent.

~~(28)~~ (29) "Incapacitated person" is as described in section 524.5-102, subdivision 6, other than a minor.

~~(29)~~ (30) "Incapacity" when used in sections 524.2-114 to 524.2-120 means the inability of an individual to function as a parent of a child because of the individual's physical or mental condition.

~~(30)~~ (31) "Informal proceedings" means those conducted by the judge, the registrar, or the person or persons designated by the judge for probate of a will or appointment of a personal representative in accordance with sections 524.3-301 to 524.3-311.

~~(31)~~ (32) "Intended parent" means an individual who entered into a gestational agreement providing that the individual will be the parent of a child born to a woman by means of assisted reproduction, including an individual who has a genetic relationship with the child.

~~(32)~~ (33) "Interested person" includes heirs, devisees, children, spouses, creditors, beneficiaries and any others having a property right in or claim against the estate of a decedent, ward or protected person which may be affected by the proceeding. It also includes persons having priority for appointment as personal representative, and other fiduciaries representing interested persons. The meaning as it relates to particular persons may vary from time to time and must be determined according to the particular purposes of, and matter involved in, any proceeding.

~~(33)~~ (34) "Lease" includes an oil, gas, or other mineral lease.

~~(34)~~ (35) "Letters" includes letters testamentary, letters of guardianship, letters of administration, and letters of conservatorship.

~~(35)~~ (36) "Mortgage" means any conveyance, agreement or arrangement in which property is used as security.

~~(36)~~ (37) "Nonresident decedent" means a decedent who was domiciled in another jurisdiction at the time of death.

~~(37)~~ (38) "Organization" includes a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal entity.

~~(38)~~ (39) "Person" means an individual, a corporation, an organization, or other legal entity.

~~(39)~~ (40) "Personal representative" includes executor, administrator, successor personal representative, special administrator, and persons who perform substantially the same function under the law governing their status. "General personal representative" excludes special administrator.

~~(40)~~ (41) "Petition" means a written request to the court for an order after notice.

~~(41)~~ (42) "Proceeding" includes action at law and suit in equity.

~~(42)~~ (43) "Property" includes both real and personal property or any interest therein and means anything that may be the subject of ownership.

~~(43)~~ (44) "Protected person" is as described in section 524.5-102, subdivision 14.

~~(44)~~ (45) "Registrar" refers to the judge of the court or the person designated by the court to perform the functions of registrar as provided in section 524.1-307.

~~(45)~~ (46) "Relative" means a grandparent or a descendant of a grandparent.

~~(46)~~ (47) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing.

~~(47)~~ (48) "Settlement," in reference to a decedent's estate, includes the full process of administration, distribution and closing.

~~(48)~~ (49) "Special administrator" means a personal representative as described by sections 524.3-614 to 524.3-618.

~~(49)~~ (50) "State" includes any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession subject to the legislative authority of the United States.

~~(50)~~ (51) "Successor personal representative" means a personal representative, other than a special administrator, who is appointed to succeed a previously appointed personal representative.

~~(51)~~ (52) "Successors" means those persons, other than creditors, who are entitled to property of a decedent under the decedent's will, this chapter or chapter 525. "Successors" also means a funeral director or county government that provides the funeral and burial of the decedent, or a state or county agency with a claim authorized under section 256B.15.

~~(52)~~ (53) "Supervised administration" refers to the proceedings described in sections 524.3-501 to 524.3-505.

~~(53)~~ (54) "Testacy proceeding" means a proceeding to establish a will or determine intestacy.

~~(54)~~ (55) "Third-party donor" means an individual who produces eggs or sperm used for assisted reproduction, whether or not for consideration. The term does not include:

- (i) a husband who provides sperm, or a wife who provides eggs, that are used for assisted reproduction by the wife;
- (ii) the birth mother of a child of assisted reproduction; or

(iii) a man who has been determined under section 524.2-120, subdivision 4 or 5, to have a parent-child relationship with a child of assisted reproduction.

~~(55)~~ (56) "Trust" includes any express trust, private or charitable, with additions thereto, wherever and however created. It also includes a trust created or determined by judgment or decree under which the trust is to be administered in the manner of an express trust. "Trust" excludes other constructive trusts, and it excludes resulting trusts, conservatorships, personal representatives, trust accounts as defined in chapter 528, custodial arrangements pursuant to sections 149A.97, 318.01 to 318.06, 527.21 to 527.44, business trusts providing for certificates to be issued to beneficiaries, common trust funds, voting trusts, security arrangements, liquidation trusts, and trusts for the primary purpose of paying debts, dividends, interest, salaries, wages, profits, pensions, or employee benefits of any kind, and any arrangement under which a person is nominee or escrowee for another.

~~(56)~~ (57) "Trustee" includes an original, additional, or successor trustee, whether or not appointed or confirmed by court.

~~(57)~~ (58) "Ward" is as described in section 524.5-102, subdivision 17.

~~(58)~~ (59) "Will" includes codicil and any testamentary instrument which merely appoints an executor or revokes or revises another will.

Sec. 3. Minnesota Statutes 2014, section 524.2-102, is amended to read:

**524.2-102 SHARE OF THE SPOUSE.**

The intestate share of a decedent's surviving spouse is:

(1) the entire intestate estate if:

(i) no descendant of the decedent survives the decedent; or

(ii) all of the decedent's surviving descendants are also descendants of the surviving spouse and there is no other descendant of the surviving spouse who survives the decedent;

(2) the first ~~\$150,000~~ \$225,000, plus one-half of any balance of the intestate estate, if all of the decedent's surviving descendants are also descendants of the surviving spouse and the surviving spouse has one or more surviving descendants who are not descendants of the decedent, or if one or more of the decedent's surviving descendants are not descendants of the surviving spouse.

Sec. 4. Minnesota Statutes 2014, section 524.2-202, is amended to read:

**524.2-202 ELECTIVE SHARE.**

(a) **Elective share amount.** The surviving spouse of a decedent who dies domiciled in this state has a right of election, under the limitations and conditions stated in this part, to take an elective-share amount equal to the value of the elective-share percentage of the augmented estate, determined by the length of time the spouse and the decedent were married to each other, in accordance with the following schedule:

If the decedent and the spouse were married to each other:

Less than one year

One year but less than two years

The elective-share percentage is:

Supplemental amount only

Three percent of the augmented estate

Two years but less than three years	Six percent of the augmented estate
Three years but less than four years	Nine percent of the augmented estate
Four years but less than five years	12 percent of the augmented estate
Five years but less than six years	15 percent of the augmented estate
Six years but less than seven years	18 percent of the augmented estate
Seven years but less than eight years	21 percent of the augmented estate
Eight years but less than nine years	24 percent of the augmented estate
Nine years but less than ten years	27 percent of the augmented estate
Ten years but less than 11 years	30 percent of the augmented estate
11 years but less than 12 years	34 percent of the augmented estate
12 years but less than 13 years	38 percent of the augmented estate
13 years but less than 14 years	42 percent of the augmented estate
14 years but less than 15 years	46 percent of the augmented estate
15 years or more	50 percent of the augmented estate

(b) **Supplemental elective-share amount.** If the sum of the amounts described in sections 524.2-207, 524.2-209, paragraph (a), clause (1), and that part of the elective-share amount payable from the decedent's probate estate and nonprobate transfers to others under section 524.2-209, paragraphs (b) and (c), is less than ~~\$50,000~~ \$75,000, the surviving spouse is entitled to a supplemental elective-share amount equal to ~~\$50,000~~ \$75,000, minus the sum of the amounts described in those sections. The supplemental elective-share amount is payable from the decedent's probate estate and from recipients of the decedent's nonprobate transfers to others in the order of priority set forth in section 524.2-209, paragraphs (b) and (c).

(c) **Effect of election on statutory benefits.** If the right of election is exercised by or on behalf of the surviving spouse, the surviving spouse's homestead rights and other allowances under sections 524.2-402, 524.2-403 and 524.2-404, if any, are not charged against but are in addition to the elective-share and supplemental elective-share amounts.

(d) **Nondomiciliary.** The right, if any, of the surviving spouse of a decedent who dies domiciled outside this state to take an elective share in property in this state is governed by the law of the decedent's domicile at death.

Sec. 5. Minnesota Statutes 2014, section 524.2-301, is amended to read:

**524.2-301 ENTITLEMENT OF SPOUSE; PREMARITAL WILL.**

(a) If a testator married after making a will and the spouse survives the testator, the surviving spouse shall receive a share of the estate of the testator equal in value to that which the surviving spouse would have received if the testator had died intestate, unless:

(1) provision has been made for, or waived by, the spouse by prenuptial or postnuptial agreement;

(2) the will or other written evidence discloses an intention not to make provision for the spouse; ~~or~~

(3) ~~the spouse is provided for~~ person, who was the surviving spouse at death, was designated as a devisee, or is the beneficiary of a trust referenced, in the will; or

(4) the testator provided for the spouse by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by the testator's written statements or may be reasonably inferred from the amount of the transfer or other evidence.

(b) In satisfying the share provided by this section, devises made by the will other than a devise to a child of the testator who was born before the testator married the surviving spouse and who is not a child of the surviving spouse or a devise or substitute gift under section 524.2-603 or 524.2-604 to a descendant of such a child, abate first as otherwise provided in section 524.3-902.

Sec. 6. Minnesota Statutes 2014, section 524.2-403, is amended to read:

**524.2-403 EXEMPT PROPERTY.**

(a) If there is a surviving spouse, then, in addition to the homestead and family allowance, the surviving spouse is entitled from the estate to:

(1) property not exceeding ~~\$10,000~~ \$15,000 in value in excess of any security interests therein, in household furniture, furnishings, appliances, and personal effects, subject to an award of sentimental value property under section 525.152; and

(2) one automobile, if any, without regard to value.

(b) If there is no surviving spouse, the decedent's children are entitled jointly to the same property as provided in paragraph (a), except that where it appears from the decedent's will a child was omitted intentionally, the child is not entitled to the rights conferred by this section.

(c) If encumbered chattels are selected and the value in excess of security interests, plus that of other exempt property, is less than ~~\$10,000~~ \$15,000, or if there is not ~~\$10,000~~ \$15,000 worth of exempt property in the estate, the surviving spouse or children are entitled to other personal property of the estate, if any, to the extent necessary to make up the ~~\$10,000~~ \$15,000 value.

(d) Rights to exempt property and assets needed to make up a deficiency of exempt property have priority over all claims against the estate, but the right to any assets to make up a deficiency of exempt property abates as necessary to permit earlier payment of the family allowance.

(e) The rights granted by this section are in addition to any benefit or share passing to the surviving spouse or children by the decedent's will, unless otherwise provided, by intestate succession or by way of elective share.

(f) No rights granted to a decedent's adult children under this section shall have precedence over a claim under section 246.53, 256B.15, 256D.16, 261.04, or 524.3-805, paragraph (a), clause (1), (2), or (3).

Sec. 7. Minnesota Statutes 2014, section 524.2-404, is amended to read:

**524.2-404 FAMILY ALLOWANCE.**

(a) In addition to the right to the homestead and exempt property, the decedent's surviving spouse and minor children whom the decedent was obligated to support, and children who were in fact being supported by the decedent, shall be allowed a reasonable family allowance in money out of the estate for their maintenance as follows:

(1) for one year if the estate is inadequate to discharge allowed claims; or

(2) for 18 months if the estate is adequate to discharge allowed claims.

(b) The amount of the family allowance may be determined by the personal representative in an amount not to exceed ~~\$1,500~~ \$2,300 per month.

(c) The family allowance is payable to the surviving spouse, if living; otherwise to the children, their guardian or conservator, or persons having their care and custody.

(d) The family allowance is exempt from and has priority over all claims.

(e) The family allowance is not chargeable against any benefit or share passing to the surviving spouse or children by the will of the decedent unless otherwise provided, by intestate succession or by way of elective share. The death of any person entitled to family allowance does not terminate the right of that person to the allowance.

(f) The personal representative or an interested person aggrieved by any determination, payment, proposed payment, or failure to act under this section may petition the court for appropriate relief, which may include a family allowance other than that which the personal representative determined or could have determined.

Sec. 8. Minnesota Statutes 2014, section 524.2-606, is amended to read:

**524.2-606 NONADEMPTION OF SPECIFIC DEVICES; UNPAID PROCEEDS OF SALE, CONDEMNATION, OR INSURANCE; SALE BY CONSERVATOR OR GUARDIAN.**

(a) A specific devisee has a right to the specifically devised property in the testator's estate at death and:

(1) any balance of the purchase price, together with any security agreement, owing from a purchaser to the testator at death by reason of sale of the property;

(2) any amount of a condemnation award for the taking of the property unpaid at death;

(3) any proceeds unpaid at death on fire or casualty insurance on or other recovery for injury to the property; and

(4) property owned by the testator at death and acquired as a result of foreclosure, or obtained in lieu of foreclosure, of the security interest for a specifically devised obligation.

(b) If specifically devised property is sold or mortgaged by a conservator or guardian ~~or~~ by an agent acting within the authority of a durable power of attorney for an incapacitated principal, or by the trustee of a revocable trust during the period of the settlor's incapacity, or if a condemnation award, insurance proceeds, or recovery for injury to the property are paid to a conservator or guardian ~~or~~ to an agent acting within the authority of a durable power of attorney for an incapacitated principal, or to the trustee of a revocable trust during the period of the settlor's incapacity, the specific devisee has the right to a general pecuniary devise equal to the net sale price, the amount of the unpaid loan, the condemnation award, the insurance proceeds, or the recovery.

(c) The right of a specific devisee under paragraph (b) is reduced by any right the devisee has under paragraph (a).

(d) For the purposes of the references in paragraph (b) to a conservator or guardian or an agent acting within the authority of a durable power of attorney or a trustee of a revocable trust during the period of the settlor's incapacity, paragraph (b) does not apply if after the sale, mortgage, condemnation, casualty, or recovery;

(1) in the case of a conservator or guardian, it was adjudicated that the testator's incapacity ceased and the testator survived the adjudication by one year; ~~or~~

(2) in the case of an agent acting within the authority of a durable power of attorney, the testator's incapacity ceased and the testator survived for one year after the incapacity ceased; or

(3) in the case of a trustee, the settlor's incapacity ceased and the settlor survived for one year after the incapacity ceased.

(e) For the purposes of the references in paragraph (b) to the trustee of a revocable trust during the period of the settlor's incapacity, paragraph (b) does not apply to a specific devise contained in a will if:

(1) the revocable trust provides for the transfer, devise, or distribution of all trust assets held as of the death of the settlor to persons or entities other than the settlor's estate; and

(2) the initial transfer of devised property into the trust occurred prior to the settlor's incapacity.

(e) (f) For the purposes of the references in paragraph (b) to an agent acting within the authority of a durable power of attorney for an incapacitated principal or the trustee of a revocable trust during the period of the settlor's incapacity, (i) "incapacitated principal" means a principal who is an incapacitated person as defined in section 524.5-102, subdivision 6, and the "period of the settlor's incapacity" means a period when the settlor of a revocable trust is an incapacitated person as defined by the trust instrument, or, if the trust instrument is silent, as defined in section 524.5-102, subdivision 6, and (ii) a finding of the principal's or settlor's incapacity need not occur during the principal's or settlor's life.

Sec. 9. **[524.2-805] REFORMATION TO CORRECT MISTAKES.**

The court may reform the terms of a governing instrument, even if unambiguous, to conform the terms to the transferor's intention, if it is proved by clear and convincing evidence what the transferor's intention was and that the terms of the governing instrument were affected by a mistake of a fact or law, whether in expression or inducement.

Sec. 10. **[524.2-806] MODIFICATION TO ACHIEVE TRANSFEROR'S TAX OBJECTIVES.**

To achieve the transferor's tax objectives, the court may modify the terms of a governing instrument in a manner that is not contrary to the transferor's probable intention. The court may provide that the modification has retroactive effect.

Sec. 11. Minnesota Statutes 2014, section 524.3-406, is amended to read:

**524.3-406 FORMAL TESTACY PROCEEDINGS; CONTESTED CASES; TESTIMONY OF ATTESTING WITNESSES.**

(a) If evidence concerning execution of an attested will which is not self-proved is necessary in contested cases, the testimony of at least one of the attesting witnesses, if within the state competent and able to testify, is required. Due execution of a will may be proved by other evidence, including an affidavit of an attesting witness. An attestation clause that is signed by the attesting witnesses raises a rebuttable presumption that the events recited in the clause occurred.

(b) If the will is self-proved, compliance with signature requirements for execution is conclusively presumed and other requirements of execution are presumed subject to rebuttal without the testimony of any witness upon filing the will and the acknowledgment and affidavits annexed or attached thereto, unless there is proof of fraud or forgery affecting the acknowledgment or affidavit.

Sec. 12. Minnesota Statutes 2014, section 524.3-1201, is amended to read:

**524.3-1201 COLLECTION OF PERSONAL PROPERTY BY AFFIDAVIT.**

(a) Thirty days after the death of a decedent, (i) any person indebted to the decedent, (ii) any person having possession of tangible personal property or an instrument evidencing a debt, obligation, stock, or chose in action belonging to the decedent, or (iii) any safe deposit company, as defined in section 55.01, controlling the right of

access to decedent's safe deposit box shall make payment of the indebtedness or deliver the tangible personal property or an instrument evidencing a debt, obligation, stock, or chose in action or deliver the entire contents of the safe deposit box to a person claiming to be the successor of the decedent, or a state or county agency with a claim authorized by section 256B.15, upon being presented a certified death record of the decedent and an affidavit made by or on behalf of the successor stating that:

(1) the value of the entire probate estate, determined as of the date of death, wherever located, including specifically any contents of a safe deposit box, less liens and encumbrances, does not exceed ~~\$50,000~~ \$75,000;

(2) 30 days have elapsed since the death of the decedent or, in the event the property to be delivered is the contents of a safe deposit box, 30 days have elapsed since the filing of an inventory of the contents of the box pursuant to section 55.10, paragraph (h);

(3) no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction;

(4) if presented, by a state or county agency with a claim authorized by section 256B.15, to a financial institution with a multiple-party account in which the decedent had an interest at the time of death, the amount of the affiant's claim and a good faith estimate of the extent to which the decedent was the source of funds or beneficial owner of the account; and

(5) the claiming successor is entitled to payment or delivery of the property.

(b) A transfer agent of any security shall change the registered ownership on the books of a corporation from the decedent to the successor or successors upon the presentation of an affidavit as provided in subsection (a).

(c) The claiming successor or state or county agency shall disburse the proceeds collected under this section to any person with a superior claim under section 524.2-403 or 524.3-805.

(d) A motor vehicle registrar shall issue a new certificate of title in the name of the successor upon the presentation of an affidavit as provided in subsection (a).

(e) The person controlling access to decedent's safe deposit box need not open the box or deliver the contents of the box if:

(1) the person has received notice of a written or oral objection from any person or has reason to believe that there would be an objection; or

(2) the lessee's key or combination is not available.

Sec. 13. Minnesota Statutes 2014, section 524.3-1203, subdivision 5, is amended to read:

Subd. 5. **Exhaustion of estate.** In any summary, special, or other administration in which it appears that the estate will not be exhausted in payment of the priority items enumerated in subdivisions 1 to 4, the estate may nevertheless be summarily closed without further notice, and the property assigned to the proper persons, if the gross probate estate, exclusive of any exempt homestead as defined in section 524.2-402, and any exempt property as defined in section 524.2-403, does not exceed the value of ~~\$100,000~~ \$150,000. If the closing and distribution of assets is made pursuant to the terms of a will, no decree shall issue until a hearing has been held for formal probate of the will as provided in sections 524.3-401 to 524.3-413.

No summary closing of an estate shall be made to any distributee under this subdivision, unless a showing is made by the personal representative or the petitioner, that all property selected by and allowances to the spouse and children as provided in section 524.2-403 and the expenses and claims provided in section 524.3-805 have been paid, and provided, further, that a bond shall be filed by the personal representative or the petitioner, conditioned upon the fact that all such obligations have been paid and that all the facts shown on the petition are true, with sufficient surety approved by the court in an amount as may be fixed by the court to cover potential improper distributions. If a personal representative is appointed, the representative's bond shall be sufficient for such purpose unless an additional bond is ordered, and the sureties on the bond shall have the same obligations and liabilities as provided for sureties on a distribution bond.

In the event that an improper distribution or disbursement is made in a summary closing, in that not all of said obligations have been paid or that other facts as shown by the personal representative or the petitioner, are not true, resulting in damage to any party, the court may vacate its summary decree or closing order, and the petitioner or the personal representative, together with the surety, shall be liable for damages to any party determined to be injured thereby as herein provided. The personal representative, petitioner, or the surety, may seek reimbursement for damages so paid or incurred from any distributee or recipient of assets under summary decree or order, who shall be required to make a contribution to cover such damages upon a pro rata basis or as may be equitable to the extent of assets so received. The court is hereby granted complete and plenary jurisdiction of any and all such proceedings and may enter such orders and judgments as may be required to effectuate the purposes of this subdivision.

Any judgment rendered for damages or the recovery of assets in such proceedings shall be upon petition and only after hearing held thereon on 14 days' notice of hearing and a copy of petition served personally upon the personal representative and the surety and upon any distributee or recipient of assets where applicable. Any action for the recovery of money or damages under this subdivision is subject to the time and other limitations imposed by section 524.1-304.

ARTICLE 3  
ASSIGNMENT AND RECEIVERSHIP PROVISIONS; SHORT  
FORM OF ASSIGNMENT CREATED

Section 1. Minnesota Statutes 2014, section 559.17, subdivision 2, is amended to read:

Subd. 2. **Assignment; conditions.** A mortgagor may assign, as additional security for the debt secured by the mortgage, the rents and profits from the mortgaged real property, if the mortgage:

(1) was executed, modified or amended subsequent to August 1, 1977;

(2) secured an original principal amount of \$100,000 or more or is a lien upon residential real estate containing more than four dwelling units; and

(3) is not a lien upon property which was:

(i) entirely homesteaded as agricultural property; or

(ii) residential real estate containing four or fewer dwelling units where at least one of the units is homesteaded. The assignment may be enforced, but only against the nonhomestead portion of the mortgaged property, as follows:

(a) if, by the terms of an assignment, a receiver is to be appointed upon the occurrence of some specified event, and a showing is made that the event has occurred, the court shall, without regard to waste, adequacy of the security, or solvency of the mortgagor, appoint a receiver who shall, with respect to the excess cash remaining after application as provided in section 576.25, subdivision 5, apply it as prescribed by the assignment. If the assignment so provides, the receiver shall apply the excess cash in the manner set out herein from the date of appointment through the entire redemption period from any foreclosure sale. Subject to the terms of the assignment, the receiver shall have the powers and duties as set forth in section 576.25, subdivision 5; or

(b) if no provision is made for the appointment of a receiver in the assignment or if by the terms of the assignment a receiver may be appointed, the assignment shall be binding upon the assignor unless or until a receiver is appointed without regard to waste, adequacy of the security or solvency of the mortgagor, but only in the event of default in the terms and conditions of the mortgage, and only in the event the assignment requires the holder thereof to ~~first~~ apply the rents and profits received as provided in section 576.25, subdivision 5, or, as to an assignment executed prior to August 1, 2012, as provided in Minnesota Statutes 2010, section 576.01, subdivision 2, in which case the same shall operate against and be binding upon the occupiers of the premises from the date of recording by the holder of the assignment in the office of the county recorder or the office of the registrar of titles for the county in which the property is located of a notice of default in the terms and conditions of the mortgage and service of a copy of the notice upon the occupiers of the premises. The holder of the assignment shall apply the rents and profits received in accordance with the terms of the assignment, and, if the assignment so provides, for the entire redemption period from any foreclosure sale. A holder of an assignment who enforces it in accordance with this clause shall not be deemed to be a mortgagee in possession with attendant liability.

Nothing contained herein shall prohibit the right to reinstate the mortgage debt granted pursuant to section 580.30, nor the right to redeem granted pursuant to sections 580.23 and 581.10, and any excess cash, as that term is used herein, collected by the receiver under clause (a), or any rents and profits taken by the holder of the assignment under clause (b), shall be credited to the amount required to be paid to effect a reinstatement or redemption.

Sec. 2. Minnesota Statutes 2014, section 576.22, is amended to read:

**576.22 APPLICABILITY OF CHAPTER AND OF COMMON LAW.**

(a) This chapter applies to receiverships provided for in section 576.25, subdivisions 2 to 6, and to receiverships:

- (1) pursuant to section 193.147, in connection with a mortgage on an armory;
- (2) pursuant to section 223.17, subdivision 8, paragraph (b), in connection with a defaulting grain buyer;
- (3) pursuant to section 232.22, subdivision 7, paragraph (c), in connection with a defaulting public grain warehouse;
- (4) pursuant to section 296A.22, in connection with nonpayment of tax;
- (5) pursuant to ~~section~~ sections 302A.751, 302A.753, 308A.941, 308A.945, 308B.931, 308B.935, 317A.751, 317A.753, or 322B.833, and 322B.836, or in an action relating to the dissolution of ~~an~~ a foreign entity and relating to, in like cases, with property within the state ~~of foreign entities;~~
- (6) pursuant to section 321.0703, in connection with the rights of a creditor of a partner or transferee;
- (7) pursuant to section 322.22, in connection with the rights of creditors of limited partners;
- (8) pursuant to section 323A.0504, in connection with a partner's transferable interest;
- (9) pursuant to section 453.55, in connection with bonds and notes;
- (10) pursuant to section 453A.05, in connection with bonds and notes;
- (11) pursuant to section 513.47, in connection with a proceeding for relief with respect to a transfer fraudulent as to a creditor or creditors;

(12) pursuant to section 514.06, in connection with the severance of a building and resale;

(13) pursuant to section 515.23, in connection with an action by a unit owners' association to foreclose a lien for nonpayment of delinquent assessments against condominium units;

(14) pursuant to section 518A.71, in connection with the failure to pay, or to provide security for, maintenance or support payments;

(15) pursuant to section 559.17, in connection with assignments of rents; however, any receiver appointed under section 559.17 shall be a limited receiver, and the court shall apply the provisions of this chapter to the extent not inconsistent with section 559.17;

(16) pursuant to section 571.84, in connection with a garnishee in possession of property subject to a garnishment proceeding;

(17) pursuant to section 575.05, in connection with property applied to judgment;

(18) pursuant to section 575.06, in connection with adverse claimants;

(19) pursuant to sections 582.05 to 582.10, in connection with mortgage foreclosures; however, any receiver appointed under sections 582.05 to 582.10 shall be a limited receiver, and the court shall apply the provisions of this chapter to the extent not inconsistent with sections 582.05 to 582.10;

(20) pursuant to section 609.904, in connection with criminal penalties; or

(21) pursuant to section 609.907, in connection with preservation of property subject to forfeiture.

(b) This chapter does not apply to any receivership in which the receiver is a state agency or in which the receiver is appointed, controlled, or regulated by a state agency unless otherwise provided by law.

(c) In receiverships not specifically referenced in paragraph (a) or (b), the court, in its discretion, may apply provisions of this chapter to the extent not inconsistent with the statutes establishing the receiverships.

(d) Unless explicitly displaced by this chapter, the provisions of other statutory law and the principles of common law remain in full force and effect and supplement the provisions of this chapter.

Sec. 3. Minnesota Statutes 2014, section 576.29, subdivision 1, is amended to read:

Subdivision 1. **Powers.** (a) A receiver, whether general or limited, shall have the following powers in addition to those specifically conferred by this chapter or otherwise by statute, rule, or order of the court:

(1) the power to collect, control, manage, conserve, and protect receivership property;

(2) the power to incur and pay expenses incidental to the receiver's exercise of the powers or otherwise in the performance of the receiver's duties;

(3) the power to assert rights, claims, causes of action, or defenses that relate to receivership property; and

(4) the power to seek and obtain instruction from the court with respect to any matter relating to the receivership property, the exercise of the receiver's powers, or the performance of the receiver's duties.

(b) In addition to the powers provided in paragraph (a), a general receiver shall have the power:

(1) to (i) assert, ~~or when authorized by the court, to release,~~ any rights, claims, causes of action, or defenses of the respondent to the extent any rights, claims, causes of action, or defenses are receivership property; (ii) maintain in the receiver's name or in the name of the respondent any action to enforce any right, claim, cause of action, or defense; and (iii) intervene in actions in which the respondent is a party for the purpose of exercising the powers under this clause or requesting transfer of venue of the action to the court;

(2) to pursue any claim or remedy that may be asserted by a creditor of the respondent under sections 513.41 to 513.51;

(3) to compel any person, including the respondent, and any party, by subpoena pursuant to Rule 45 of the Minnesota Rules of Civil Procedure, to give testimony or to produce and permit inspection and copying of designated books, documents, electronically stored information, or tangible things with respect to receivership property or any other matter that may affect the administration of the receivership;

(4) to operate any business constituting receivership property in the ordinary course of the business, including ~~the use, sale, using, selling, or lease of~~ leasing property of the business or otherwise constituting receivership property; ~~and the~~; incurring and payment of expenses of the business or other receivership property; ~~and hiring employees and appointing officers to act on behalf of the business;~~

(5) if authorized by an order of the court following notice and a hearing, to use, improve, sell, or lease receivership property other than in the ordinary course of business; and

(6) if appointed pursuant to section 302A.753, 308A.945, 308B.935, 317A.753, or 322B.836, to exercise all of the powers and authority provided by the section or order of the court.

Sec. 4. Minnesota Statutes 2014, section 576.30, is amended to read:

**576.30 RECEIVER AS LIEN CREDITOR; REAL ESTATE PROPERTY RECORDING; SUBSEQUENT SALES OF REAL ESTATE PROPERTY.**

Subdivision 1. **Receiver as lien creditor.** As of the time of appointment, the receiver shall have the powers and priority as if it were a creditor that obtained a judicial lien at the time of appointment pursuant to sections 548.09 and 550.10 on all of the receivership property, subject to satisfying the recording requirements as to real property described in subdivision 2.

Subd. 2. **Real estate property recording.** If any interest in real ~~estate~~ property is included in the receivership property, a notice of lis pendens shall be recorded as soon as practicable with the county recorder or registrar of titles, as appropriate, of the county in which the real property is located. The priority of the receiver as lien creditor against real property shall be from the time of recording of the notice of lis pendens, except as to persons with actual or implied knowledge of the appointment under section 507.34.

Subd. 3. **Subsequent sales of real estate property.** The following documents are prima facie evidence of the authority to sell and convey the real property:

(1) the notice of lis pendens;

(2) a court order ~~authorizing the receiver to sell real property certified by the court administrator, and a deed executed by the receiver recorded with the county recorder or registrar of titles, as appropriate, of the county in which the real property is located, and upon execution of the deed by the receiver shall be prima facie evidence of the authority of~~ authorizing the receiver to sell and convey, or cause the respondent to sell, real property described in the deed; and

(3) a deed executed by the receiver, or by the respondent if authorized by the court.

The court may also require a motion for an order for sale of the real property or a motion for an order confirming sale of the real property.

Sec. 5. Minnesota Statutes 2014, section 576.45, subdivision 3, is amended to read:

Subd. 3. **Termination by receiver.** For good cause, the court may authorize the receiver to terminate an executory contract. The receiver's right to possess or use property or receive services pursuant to the executory contract shall terminate at the termination of the executory contract. Except as to the claim against the receivership under subdivision 1, if a termination of an executory contract constitutes a breach of the executory contract, the termination shall create a claim equal to the damages, if any, for a breach of the contract as if the breach of contract had occurred immediately before the time of appointment. Any claim arising under this section for termination of an executory contract shall be presented or filed in the same manner as other claims in the receivership no later than the later of: (1) the time set for filing of claims in the receivership; or (2) 28 days after the notice by the receiver of the termination of the executory contract.

Sec. 6. Minnesota Statutes 2014, section 576.47, is amended to read:

#### **576.47 ABANDONMENT OF PROPERTY.**

The court may authorize the receiver to abandon to the respondent any receivership property that is burdensome or is not of material value to the receivership. ~~Property that is abandoned is no longer receivership property.~~

Sec. 7. Minnesota Statutes 2014, section 577.12, is amended to read:

#### **577.12 REQUISITES.**

A person may execute a written assignment of property to one or more assignees for the benefit of creditors in conformity with the provisions of this chapter. Every assignment for the benefit of creditors subject to this chapter made by an assignor of the whole or any part of the assignor's property, real or personal, for the benefit of creditors, shall be: (1) to a ~~resident of the state~~ person eligible to be a receiver under section 576.26, in writing, subscribed and acknowledged by the assignor, and (2) filed by the assignor or the assignee with the court administrator of the district court of the county in which the assignor, or one of the assignors if there is more than one, resides, or in which the principal place of business of an assignor engaged in business is located. The district court shall have supervision over the assignment property and of all proceedings under this chapter. The assignee shall be deemed to have submitted to the jurisdiction of the district court.

Sec. 8. Minnesota Statutes 2014, section 577.15, is amended to read:

#### **577.15 ASSIGNEE AS LIEN CREDITOR; REAL ESTATE PROPERTY RECORDING.**

Subdivision 1. **Assignee as lien creditor.** As of the filing of the assignment, the assignee shall have the powers and priority of a creditor that obtained a judicial lien at the time of assignment pursuant to sections 548.09 and 550.10 on all of the assignment property subject to satisfying the recording requirements as to real property described in subdivision 2.

Subd. 2. **Real estate property recording.** If any interest in real ~~estate~~ property is included in the assignment property, the assignment shall be effective as a deed, ~~and~~. A notice of a lis pendens shall be recorded as soon as practicable with the county recorder or registrar of titles, as appropriate, of the county in which the real property is located. The priority of the assignee as lien creditor against real property shall be from the time of recording of the

notice of lis pendens, except as to persons with actual or implied knowledge of the assignment under section 507.34. A short form of the assignment executed acknowledged by the assignor and certified by the court administrator assignee and a deed executed by the assignee shall be recorded with the county recorder or registrar of titles, as appropriate, of the county in which the real property is located, and upon execution of the deed by the assignee shall be prima facie evidence of the authority of the assignee to convey the real property described in the assignment. The short form of the assignment shall contain the following information:

(1) the identity of the assignor and assignee;

(2) the legal description of the real property;

(3) the date of the assignment; and

(4) a statement that the assignor has made an assignment under this chapter, and that the assignment has been accepted by the assignee.

ARTICLE 4  
UPDATES TO THE MINNESOTA REVISED  
UNIFORM LIMITED LIABILITY COMPANY ACT

Section 1. Minnesota Statutes 2014, section 5.001, subdivision 2, is amended to read:

Subd. 2. **Business entity.** "Business entity" means an organization that is formed under chapter 300, 301, 302A, 303, 308, 308A, 308B, 315, 317, 317A, 319, 319A, 321, 322A, 322B, 322C, 323, or 323A and that has filed documents with the secretary of state.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 2. Minnesota Statutes 2014, section 5.25, subdivision 1, is amended to read:

Subdivision 1. **Who may be served.** A process, notice, or demand required or permitted by law to be served upon an entity governed by chapter 221, 302A, 303, 317A, 321, 322B, 322C, 323A, 330, 540, or 543 may be served on: (1) the registered agent, if any; (2) if no agent has been appointed then on an officer, manager, or general partner of the entity; or (3) if no agent, officer, manager, or general partner can be found at the address on file with the secretary of state, the secretary of state as provided in this section.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 3. Minnesota Statutes 2014, section 5.25, subdivision 3, is amended to read:

Subd. 3. **Service on certain business entities; auctioneers.** When service of process is to be made on the secretary of state for entities governed by chapter 302A, 317A, 321, 322B, 322C, 323, 330, or 543, the procedure in this subdivision applies. Service must be made by filing with the secretary of state one copy of the process, notice, or demand along with payment of a \$35 fee.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 4. Minnesota Statutes 2015 Supplement, section 5.25, subdivision 5, is amended to read:

Subd. 5. **Service on dissolved, withdrawn, or revoked business entity.** (a) Process, notice, or demand may be served on a dissolved, withdrawn, or revoked business entity that was governed by chapter 302A, 303, 317A, 321, 322B, 322C, or 323A as provided in this subdivision. The court shall determine if service is proper.

(b) If a business entity has voluntarily dissolved or has withdrawn its request for authority to transact business in this state, or a court has entered a decree of dissolution or revocation of authority to do business, service must be made according to subdivision 3 or 4, so long as claims are not barred under the provisions of the chapter that governed the business entity.

(c) If a business entity has been involuntarily dissolved or its authority to transact business in this state has been revoked, service must be made according to subdivision 3 or 4.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 5. Minnesota Statutes 2014, section 115D.03, subdivision 6a, is amended to read:

Subd. 6a. **Officer of the company.** "Officer of the company" means one of the following:

- (1) an owner or sole proprietor;
- (2) a partner;
- (3) for a corporation incorporated under chapter 300, the president, secretary, treasurer, or other officer as provided for in the corporation's bylaws or certificate of incorporation;
- (4) for a corporation incorporated under chapter 302A, an individual exercising the functions of the chief executive officer or the chief financial officer under section 302A.305 or another officer elected or appointed by the directors of the corporation under section 302A.311;
- (5) for a corporation incorporated outside this state, an officer of the company as defined by the laws of the state in which the corporation is incorporated; ~~or~~
- (6) for a limited liability company organized under chapter 322B, the chief manager or treasurer; or
- (7) for a limited liability company organized under chapter 322C, a member of a member-managed company, a manager of a manager-managed company, or any other officer provided for in the limited liability company's operating agreement.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 6. Minnesota Statutes 2014, section 116J.395, subdivision 3, is amended to read:

Subd. 3. **Eligible applicants.** Eligible applicants for grants awarded under this section include:

- (1) an incorporated business or a partnership;
- (2) a political subdivision;
- (3) an Indian tribe;
- (4) a Minnesota nonprofit organization organized under chapter 317A;
- (5) a Minnesota cooperative association organized under chapter 308A or 308B; and

(6) a Minnesota limited liability corporation organized under chapter 322B or 322C for the purpose of expanding broadband access.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 7. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 1, is amended to read:

Subdivision 1. **Eligible authorizers.** The following organizations may authorize one or more charter schools:

(1) a school board, intermediate school district school board, or education district organized under sections 123A.15 to 123A.19;

(2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution; any person other than a natural person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the nonpublic sectarian or religious institution; and any other charitable organization under this clause that in the federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that:

(i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations;

(ii) is registered with the attorney general's office; and

(iii) is incorporated in the state of Minnesota and has been operating continuously for at least five years but does not operate a charter school;

(3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State Colleges and Universities; or the University of Minnesota;

(4) a nonprofit corporation subject to chapter 317A, described in section 317A.905, and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years; or

(5) single-purpose authorizers formed as charitable, nonsectarian organizations under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota under chapter 317A as a corporation with no members or under section 322B.975 or 322C.1101 as a nonprofit limited liability company for the sole purpose of chartering schools.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 8. Minnesota Statutes 2014, section 211B.15, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section, "corporation" means:

(1) a corporation organized for profit that does business in this state;

(2) a nonprofit corporation that carries out activities in this state; or

(3) a limited liability company formed under chapter 322B or 322C, or under similar laws of another state, that does business in this state.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 9. Minnesota Statutes 2014, section 216B.1612, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "C-BED tariff" or "tariff" means a community-based energy development tariff.

(c) "Qualifying beneficiary" means:

(1) a Minnesota resident individually or as a member of a Minnesota limited liability company organized under chapter 322B or 322C and formed for the purpose of developing a C-BED project;

(2) a Minnesota nonprofit organization organized under chapter 317A;

(3) a Minnesota cooperative association organized under chapter 308A or 308B, including a rural electric cooperative association or a generation and transmission cooperative on behalf of and at the request of a member distribution utility;

(4) a Minnesota political subdivision or local government including, but not limited to, a municipal electric utility, or a municipal power agency on behalf of and at the request of a member distribution utility; the office of the commissioner of Iron Range resources and rehabilitation; a county, statutory or home rule charter city, town, school district, or public or private higher education institution; or any other local or regional governmental organization such as a board, commission, or association;

(5) a tribal council; or

(6) a legal entity (i) formed for a purpose other than to participate in C-BED projects; (ii) whose principal place of business or principal executive office is located in Minnesota; and (iii) that provides labor, services, equipment, components, or debt financing to a C-BED project.

A public utility, as defined in section 216B.02, subdivision 4, is not a qualifying beneficiary.

(d) "Qualifying revenue" includes, but is not limited to:

(1) royalties, distributions, dividends, and other payments flowing directly or indirectly to individuals who are qualifying beneficiaries;

(2) reasonable fees for consulting, development, professional, construction, and operations and maintenance services paid to qualifying beneficiaries;

(3) interest and fees paid to financial institutions that are qualifying beneficiaries;

(4) the value-added portion of payments for goods manufactured in Minnesota; and

(5) production taxes.

(e) "Discount rate" means the ten-year United States Treasury Yield as quoted in the Wall Street Journal as of the date of application for determination under subdivision 10, plus five percent; except that the discount rate applicable to any qualifying revenues contingent upon an equity investor earning a specified internal rate of return is the ten-year United States Treasury Yield, plus eight percent.

(f) "Standard reliability criteria" means:

(1) can be safely integrated into and operated within the utility's grid without causing any adverse or unsafe consequences; and

(2) is consistent with the utility's resource needs as identified in its most recent resource plan submitted under section 216B.2422.

(g) "Renewable" refers to a technology listed in section 216B.1691, subdivision 1, paragraph (a).

(h) "Community-based energy development project" or "C-BED project" means a new renewable energy project that either as a stand-alone project or part of a partnership under subdivision 8:

(1) has no single qualifying beneficiary, including any parent company or subsidiary of the qualifying beneficiary, owning more than 15 percent of a C-BED wind energy project unless: (i) the C-BED wind energy project consists of only one or two turbines; or (ii) the qualifying beneficiary is a public entity listed under paragraph (c), clause (4);

(2) demonstrates that at least 51 percent of the net present value of the gross revenues from a power purchase agreement over the life of the project are qualifying revenues; and

(3) has a resolution of support adopted by the county board of each county in which the project is to be located, or in the case of a project located within the boundaries of a reservation, the tribal council for that reservation.

(i) "Value-added portion" means the difference between the total sales price and the total cost of components, materials, and services purchased from or provided outside of Minnesota.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 10. Minnesota Statutes 2015 Supplement, section 302A.471, subdivision 1, is amended to read:

Subdivision 1. **Actions creating rights.** A shareholder of a corporation may dissent from, and obtain payment for the fair value of the shareholder's shares in the event of, any of the following corporate actions:

(a) unless otherwise provided in the articles, an amendment of the articles that materially and adversely affects the rights or preferences of the shares of the dissenting shareholder in that it:

(1) alters or abolishes a preferential right of the shares;

(2) creates, alters, or abolishes a right in respect of the redemption of the shares, including a provision respecting a sinking fund for the redemption or repurchase of the shares;

(3) alters or abolishes a preemptive right of the holder of the shares to acquire shares, securities other than shares, or rights to purchase shares or securities other than shares;

(4) excludes or limits the right of a shareholder to vote on a matter, or to cumulate votes, except as the right may be excluded or limited through the authorization or issuance of securities of an existing or new class or series with similar or different voting rights; except that an amendment to the articles of an issuing public corporation that provides that section 302A.671 does not apply to a control share acquisition does not give rise to the right to obtain payment under this section; or

(5) eliminates the right to obtain payment under this subdivision;

(b) a sale, lease, transfer, or other disposition of property and assets of the corporation that requires shareholder approval under section 302A.661, subdivision 2, but not including a disposition in dissolution described in section 302A.725, subdivision 2, or a disposition pursuant to an order of a court, or a disposition for cash on terms requiring that all or substantially all of the net proceeds of disposition be distributed to the shareholders in accordance with their respective interests within one year after the date of disposition;

(c) a plan of merger, whether under this chapter or under chapter 322B or 322C, to which the corporation is a constituent organization, except as provided in subdivision 3, and except for a plan of merger adopted under section 302A.626;

(d) a plan of exchange, whether under this chapter or under chapter 322B or 322C, to which the corporation is a party as the corporation whose shares will be acquired by the acquiring organization, except as provided in subdivision 3;

(e) a plan of conversion is adopted by the corporation and becomes effective;

(f) an amendment of the articles in connection with a combination of a class or series under section 302A.402 that reduces the number of shares of the class or series owned by the shareholder to a fraction of a share if the corporation exercises its right to repurchase the fractional share so created under section 302A.423; or

(g) any other corporate action taken pursuant to a shareholder vote with respect to which the articles, the bylaws, or a resolution approved by the board directs that dissenting shareholders may obtain payment for their shares.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 11. Minnesota Statutes 2014, section 302A.651, subdivision 4, is amended to read:

Subd. 4. **Foreign surviving organization.** If the surviving organization in a merger will be a foreign corporation or limited liability company and will transact business in this state, it shall comply with the provisions of chapter 303 with respect to foreign corporations or chapter ~~322B~~ 322C with respect to foreign limited liability companies. In every case the surviving organization shall file with the secretary of state:

(a) an agreement that it may be served with process in this state in a proceeding for the enforcement of an obligation of a constituent organization and in a proceeding for the enforcement of the rights of a dissenting shareholder of a constituent corporation against the surviving organization;

(b) an irrevocable appointment of the secretary of state as its agent to accept service of process in any proceeding as provided in section 5.25, and an address to which process may be forwarded; and

(c) an agreement that it will promptly pay to the dissenting shareholders of each domestic constituent corporation the amount, if any, to which they are entitled under section 302A.473.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 12. Minnesota Statutes 2014, section 308B.005, subdivision 18, is amended to read:

Subd. 18. **Minnesota limited liability company.** "Minnesota limited liability company" means a limited liability company governed by chapter 322B or 322C.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 13. Minnesota Statutes 2014, section 319B.02, subdivision 10, is amended to read:

Subd. 10. **Minnesota firm.** "Minnesota firm" includes a corporation organized under chapter 302A or 317A, limited liability company organized under chapter 322B or 322C, and limited liability partnership that has an effective statement of qualification under section 323A.1001.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 14. Minnesota Statutes 2014, section 319B.02, subdivision 12, is amended to read:

Subd. 12. **Organizational document.** "Organizational document" means:

(1) with respect to a corporation organized under chapter 302A or 317A, that corporation's articles of incorporation;

(2) with respect to a limited liability company organized under chapter 322B or 322C, that limited liability company's articles of organization; and

(3) with respect to a limited liability partnership that has an effective statement of qualification under section 323A.1001, that statement of qualification.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 15. Minnesota Statutes 2015 Supplement, section 322C.0105, subdivision 1a, is amended to read:

Subd. 1a. **Loans, guarantees, and suretyship.** Without in any way limiting the generality of the power of a limited liability company to do all things necessary or convenient to carry on its activities as conferred in subdivision 1, a limited liability company may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist a person, if the transaction, or a class of transactions to which the transaction belongs, is approved pursuant to this chapter and the company's operating agreement and:

(1) is in the usual and regular course of business of the limited liability company;

(2) is with, or for the benefit of, a related organization, an organization in which the limited liability company has a financial interest, an organization with which the limited liability company has a business relationship, or an organization to which the limited liability company has the power to make donations, any of which relationships constitute consideration sufficient to make the loan, guarantee, suretyship, or other financial assistance so approved enforceable against the limited liability company;

(3) is with, or for the benefit of, a member who provides services to the limited liability company, or a manager or other employee of the limited liability company or a subsidiary, including a member, manager, or employee who is a governor of the limited liability company or a subsidiary, and may reasonably be expected, in the judgment of the board of governors, to benefit the limited liability company; or

(4) whether or not any separate consideration has been paid or promised to the limited liability company, has been approved by (i) the owners of two-thirds of the voting power of persons other than the interested person or persons, or (ii) the unanimous affirmative vote of all members, whether or not ordinarily entitled to vote.

Any such loan, ~~guaranty, surety contract~~ guarantee, suretyship, or other financial assistance may be with or without interest and may be unsecured or may be secured in any manner including, without limitation, a grant of a security interest in a member's transferable interest in the limited liability company. This subdivision does not grant any authority to act as a bank or to carry on the business of banking.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 16. Minnesota Statutes 2014, section 322C.0201, subdivision 4, is amended to read:

Subd. 4. **Formation.** (a) A limited liability company is formed when articles of organization have been filed with the secretary of state accompanied by a payment of \$135.

(b) Except in a proceeding by this state to dissolve a limited liability company, the filing of the articles of organization by the secretary of state is conclusive proof that the organizer satisfied all conditions to the formation of a limited liability company.

(c) The formation of a limited liability company does not by itself cause any person to become a member. However, this chapter does not preclude an agreement, made before or after formation of a limited liability company, which provides that one or more persons will become members, or acknowledging that one or more persons became members, upon or otherwise in connection with the formation of the limited liability company.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 17. Minnesota Statutes 2014, section 322C.0205, subdivision 1, is amended to read:

Subdivision 1. **Delivery requirements.** A record authorized or required to be filed with the secretary of state under this chapter must be captioned to describe the record's purpose, be in a medium permitted by the secretary of state, and be delivered to the secretary of state. If the filing fees have fee of \$35 or any filing fee specified in this chapter for the filing has been paid, unless the secretary of state determines that a record does not comply with the filing requirements of this chapter, the secretary of state shall file the record and:

(1) for a statement of denial under section 322C.0303, send an image of the filed statement and a receipt for the fees to the person on whose behalf the statement was delivered for filing and to the limited liability company; and

(2) for all other records, send an image of the filed record to the person on whose behalf the record was filed.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 18. Minnesota Statutes 2014, section 322C.0208, is amended to read:

**322C.0208 ANNUAL REPORT FOR SECRETARY OF STATE.**

(a) The secretary of state may send annually to each limited liability company, using the information provided by the limited liability company and foreign limited liability company pursuant to section 5.002 or 5.34 or the articles of organization, a notice announcing the need to file the annual renewal and informing the limited liability company that the annual renewal may be filed online and that paper filings may also be made, and informing the limited liability company that failing to file the annual renewal will result in an administrative termination of the limited liability company or the revocation of the authority of the limited liability company and foreign limited liability company to do business in Minnesota.

(b) Each calendar year beginning in the calendar year following the calendar year in which a limited liability company and foreign limited liability company files articles of organization, a limited liability company and foreign limited liability company must file with the secretary of state by December 31 of each calendar year a renewal containing the items required by section 5.34. Notwithstanding section 322C.0205, subdivision 1, no fee is required to file an annual renewal.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 19. Minnesota Statutes 2015 Supplement, section 322C.0407, subdivision 4, is amended to read:

Subd. 4. **Board-managed company rules.** In a board-managed limited liability company, the following rules apply:

(1) The activities and affairs of a limited liability company are to be managed by and under the direction of a board of governors, which shall consist of one or more governors as determined by members holding a majority of the voting power of the members. Except as specifically stated in this subdivision and section 322C.0202, subdivision 5, subject to section 322C.0302:

(i) the board acts only through an act of the board;

(ii) no individual governor has any right or power to act for the limited liability company; and

(iii) only officers, managers, or other agents designated by the board or through a process approved by the board have the right to act for the limited liability company, and that right extends only to the extent consistent with the terms of the designation.

(2) A governor must be a natural person. A person need not be a member to be a governor, but the dissociation of a member who is also a governor disqualifies the person as a governor. If a person who is both a governor and a member ceases to be a governor, that cessation does not by itself dissociate the person as a member. A person's ceasing to be a governor does not discharge any debt, obligation, or other liability to the limited liability company or members which the person incurred while a governor.

(3) The method of election and any additional qualifications for governors will be as determined by members holding a majority of the voting power of the members. Governors are elected by a plurality of the voting power present and entitled to vote on the election of governors at a duly called or held meeting at which a quorum is present.

(4) A member may waive notice of a meeting for the election of governors. A member's waiver of notice under this clause is effective whether given before, at, or after the meeting, and whether given in a record, orally, or by attendance. Attendance by a member at a meeting for election of governors is a waiver of notice of that meeting, except where the member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting after the objection.

(5) Once elected, a governor holds office for the term for which the governor was elected and until a successor is elected, or until the earlier death, resignation, disqualification, or removal of the governor. A governor may resign at any time. A governor may be removed at any time, without cause and without advance notice, by a majority of the voting power of all of the members. The existence of vacancies does not affect the power of the board to function if at least one governor remains in office.

(6) When a vacancy occurs, the limited liability company shall immediately notify all members in a record of the vacancy, stating the cause of the vacancy and the date the notice is sent. Within 30 days of that date, the members may fill the vacancy in the same method the members may elect governors under clause (3). If the vacancy is not filled by the members under this clause, the vacancy may be filled by the affirmative vote of a majority of the remaining governors, even though less than a quorum.

(7) The board shall meet from time to time as determined by members holding a majority of the voting power of the members, at a place decided by the board. If the day or date, time, and place of a board of governors meeting have been provided in a board resolution, or announced at a previous meeting of the board of governors, no notice is required. Notice of an adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken. If notice is required for a meeting, notice shall be made in the manner stated in clause (8).

(8) A governor may call a board meeting by giving at least ten days' notice in a record to all governors of the date, time, and place of the meeting. The notice need not state the purpose of the meeting. As to each governor, the notice is effective when given.

(i) Notice may be:

(A) mailed to the governor at an address designated by the person or at the last known address of the person;

(B) deposited with a nationally recognized overnight delivery service for overnight delivery or, if overnight delivery to the governor is not available, for delivery as promptly as practicable to the governor at an address designated by the governor or at the last known address of the governor;

(C) communicated to the governor orally;

(D) handed to the governor;

(E) given by facsimile communication, electronic mail, or any other form of electronic communication, if the governor has consented in a record to receive notice by such means; or

(F) by any other means determined by members holding a majority of the voting power of the members.

(ii) The notice is deemed given if by:

(A) mail, when deposited in the United States mail with sufficient postage affixed;

(B) deposit for delivery, when deposited for delivery as provided in item (i), subitem (B), with delivery charges prepaid or otherwise provided for by the sender;

(C) facsimile communication, when directed to a telephone number at which the governor has consented in a record to receive notice;

(D) electronic mail, when directed to an electronic mail address at which the governor has consented in a record to receive notice; and

(E) any other form of electronic communication by which the governor has consented in a record to receive notice, when directed to the governor.

(9) A governor may waive notice of a meeting of the board of governors. A waiver of notice by a governor entitled to notice is effective whether given before, at, or after the meeting, and whether given in a record, orally, or by attendance. Attendance by a governor at a meeting is a waiver of notice of that meeting, except where the governor objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting after the objection.

(10) A majority of the governors currently holding office is a quorum for the transaction of business. When a quorum is present at a duly called or held meeting of the board, the vote of a majority of the directors present constitutes an act of the board. If a quorum is present when a duly called or held meeting is convened, the governors present may continue to transact business until adjournment, even though the withdrawal of a number of governors originally present leaves less than the proportion or number otherwise required for a quorum.

(11) Any meeting among governors may be conducted solely by one or more means of remote communication through which all of the governors may participate with each other during the meeting, if the number of governors participating in the meeting would be sufficient to constitute a quorum. Participation in a meeting by that means constitutes presence in person at the meeting.

(12) A governor may participate in a board of governors meeting by means of remote communication, through which the governor, other governors so participating, and all governors physically present at the meeting may participate with each other during the meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

(13) An action required or permitted to be taken at a board meeting may be taken by written action signed by the number of governors that would be required to take the same action at a meeting of the board of governors at which all governors were present. The written action is effective when signed by the required number of governors, unless a different effective time is provided in the written action. When written action is permitted to be taken by less than all governors, all governors must be notified immediately of its text and effective date. Failure to provide the notice does not invalidate the written action. A governor who does not sign or consent to the written action has no liability for the action or actions taken by the written action.

(14) If the board designates a person as "chief manager," "president," "chief executive officer," "CEO," or another title of similar import, that person shall:

(i) serve as an agent of the limited liability company at the will of the board, without prejudice to any rights the person may have under a contract with the limited liability company;

(ii) have general active management of the business of the limited liability company, subject to the supervision and control of the board;

(iii) see that all orders and resolutions of the board of governors are carried into effect;

(iv) sign and deliver in the name of the limited liability company any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the limited liability company, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the board of governors to some other officer or agent of the limited liability company;

(v) maintain records of and, whenever necessary, certify all proceedings of the board of governors and the members; and

(vi) perform other duties prescribed by the board of governors.

(15) If the board designates a person as "treasurer," "chief financial officer," "CFO," or another title of similar import, that person shall:

(i) serve as an agent of the limited liability company at the will of the board, without prejudice to any rights the person may have under a contract with the limited liability company;

(ii) keep accurate financial records for the limited liability company;

(iii) deposit all money, drafts, and checks in the name of and to the credit of the limited liability company in the banks and depositories designated by the board of governors;

(iv) endorse for deposit all notes, checks, and drafts received by the limited liability company as ordered by the board of governors, making proper vouchers for them;

(v) disburse limited liability company funds and issue checks and drafts in the name of the limited liability company, as ordered by the board of governors;

(vi) give to the chief executive officer and the board of governors, whenever requested, an account of all transactions by the chief financial officer and of the financial condition of the limited liability company; and

(vii) perform other duties prescribed by the board of governors or by the chief executive officer.

(16) The consent of all members is required to:

(i) sell, lease, exchange, or otherwise dispose of all, or substantially all, of the company's property, with or without the good will, outside the ordinary course of the company's activities; provided that member consent is not required for:

(A) the grant of a security interest in all or substantially all of the company's property and assets, whether or not in the usual and regular course of its business; or

(B) transfer of any or all of the company's property to an organization all the ownership interests of which are owned directly or indirectly through wholly owned organizations, by the company;

(ii) approve a merger, conversion, or domestication under sections 322C.1001 to 322C.1015; and

(iii) amend the operating agreement.

(17) Subject to section 322C.1204, subdivision 3, for purposes of this subdivision, each member possesses voting power in proportion to the member's interest in distributions of the limited liability company prior to dissolution and a majority of the voting power of the members is a quorum at a meeting of the members.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 20. Minnesota Statutes 2015 Supplement, section 322C.1007, subdivision 1, is amended to read:

Subdivision 1. **Conversion requirements.** Pursuant to this section, sections 322C.1008 to 322C.1010, and a plan of conversion, an organization other than a limited liability company, a foreign limited liability company, a nonprofit corporation, or an organization owning assets irrevocably dedicated to a charitable purpose, may convert to a limited liability company other than a nonprofit limited liability company, and a limited liability company other than a nonprofit limited liability company may convert to an organization other than a foreign limited liability company, or a corporation governed by chapter 304A, if:

(1) the other organization's governing statute authorizes the conversion;

(2) the conversion is not prohibited by other law of this state or the law of the jurisdiction that enacted the other organization's governing statute; and

(3) the other organization complies with its governing statute in effecting the conversion.

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

Sec. 21. Minnesota Statutes 2014, section 322C.1011, subdivision 1, is amended to read:

Subdivision 1. **Foreign limited liability company.** A foreign limited liability company may become a limited liability company pursuant to this section, sections 322C.1011 to 322C.1013, and a plan of domestication if:

(1) the foreign limited liability company's governing statute authorizes the domestication, whether described by the laws of the foreign jurisdiction as a domestication, a conversion, or otherwise;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited liability company complies with its governing statute in effecting the domestication.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015.

Sec. 22. Minnesota Statutes 2014, section 322C.1011, subdivision 2, is amended to read:

Subd. 2. **Domestic limited liability company.** A limited liability company may become a foreign limited liability company pursuant to this section, sections 322C.1011 to 322C.1013, and a plan of domestication if:

(1) the foreign limited liability company's governing statute authorizes the domestication, whether described by the laws of the foreign jurisdiction as a domestication, a conversion, or otherwise;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited liability company complies with its governing statute in effecting the domestication.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2015."

Delete the title and insert:

"A bill for an act relating to civil law; providing trusts for animal care; modifying certain probate provisions; clarifying certain provisions for receiverships and assignments for the benefit of creditors; providing for a short form of assignment for recording with a deed to transfer real property; updating references throughout Minnesota Statutes to include limited liability companies under the Minnesota Revised Uniform Limited Liability Company Act; clarifying certain fees; making other business organization clarifying changes; amending Minnesota Statutes 2014, sections 5.001, subdivision 2; 5.25, subdivisions 1, 3; 115D.03, subdivision 6a; 116J.395, subdivision 3; 211B.15, subdivision 1; 216B.1612, subdivision 2; 302A.651, subdivision 4; 308B.005, subdivision 18; 319B.02, subdivisions 10, 12; 322C.0201, subdivision 4; 322C.0205, subdivision 1; 322C.0208; 322C.1011, subdivisions 1, 2; 484.73, subdivision 2; 524.1-201; 524.2-102; 524.2-202; 524.2-301; 524.2-403; 524.2-404; 524.2-606; 524.3-406; 524.3-1201; 524.3-1203, subdivision 5; 559.17, subdivision 2; 576.22; 576.29, subdivision 1; 576.30; 576.45,

subdivision 3; 576.47; 577.12; 577.15; Minnesota Statutes 2015 Supplement, sections 5.25, subdivision 5; 124E.05, subdivision 1; 302A.471, subdivision 1; 322C.0105, subdivision 1a; 322C.0407, subdivision 4; 322C.1007, subdivision 1; 501C.0110; 501C.0402; 501C.0409; proposing coding for new law in Minnesota Statutes, chapters 501C; 524."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

McNamara from the Committee on Environment and Natural Resources Policy and Finance to which was referred:

H. F. No. 1412, A bill for an act relating to environment; modifying electronic waste management provisions; amending Minnesota Statutes 2014, sections 115A.1310, subdivisions 4, 7, 14, 15, 20, by adding subdivisions; 115A.1312; 115A.1314; 115A.1316; 115A.1318; 115A.1320; 115A.1322; 115A.1323; 115A.1328; 115A.9565; repealing Minnesota Statutes 2014, section 115A.1310, subdivisions 8, 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 115A.1310, is amended by adding a subdivision to read:

Subd. 12a. **Portable battery.** "Portable battery" means a rechargeable battery as defined in section 115A.9157.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 115A.1310, subdivision 20, is amended to read:

Subd. 20. **Video display device.** "Video display device" means a television or computer monitor, ~~including a laptop computer,~~ that contains a cathode-ray tube or a flat panel screen ~~with a screen size that is greater than nine inches measured diagonally and~~ that is marketed by manufacturers for use by households. Video display device does not include any of the following:

(1) a video display device that is part of a motor vehicle or any component part of a motor vehicle assembled by, or for, a vehicle manufacturer or franchised dealer, including replacement parts for use in a motor vehicle;

(2) a video display device, including a touch-screen display, that is functionally or physically part of a larger piece of equipment or is designed and intended for use in an industrial; commercial, including retail; library checkout; traffic control; kiosk; security, other than household security; border control; or medical setting, including diagnostic, monitoring, or control equipment;

(3) a video display device that is contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifier; or

(4) a telephone of any type unless it contains a video display area greater than nine inches measured diagonally.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 115A.1312, subdivision 2, is amended to read:

Subd. 2. **Manufacturer's registration.** (a) By August 15 each year, a manufacturer of video display devices sold or offered for sale to households ~~after September 1, 2007~~, must submit a registration to the agency that includes:

(1) a list of the manufacturer's brands of video display devices offered for sale in this state;

(2) the name, address, and contact information of a person responsible for ensuring compliance with this chapter; and

(3) a certification that the manufacturer has complied and will continue to comply with the requirements of sections 115A.1312 to 115A.1318.

(b) ~~By September 1, 2008, and each year thereafter~~, A manufacturer of video display devices sold or offered for sale to a household must include in the registration submitted under paragraph (a), a statement disclosing whether:

(1) any video display devices sold to households exceed the maximum concentration values established for lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB's), and polybrominated diphenyl ethers (PBDE's) under the RoHS (restricting the use of certain hazardous substances in electrical and electronic equipment) Directive 2002/95/EC of the European Parliament and Council and any amendments thereto; or

(2) the manufacturer has received an exemption from one or more of those maximum concentration values under the RoHS Directive that has been approved and published by the European Commission.

(c) A manufacturer who begins to sell or offer for sale video display devices to households after ~~September 1, 2007~~ August 15, 2016, and has not filed a registration under this subdivision must submit a registration to the agency within ten days of beginning to sell or offer for sale video display devices to households.

(d) A registration must be updated within ten days after a change in the manufacturer's brands of video display devices sold or offered for sale to households.

(e) A registration is effective upon receipt by the agency and is valid until ~~September 1~~ of August 15 each year.

(f) The agency must review each registration and notify the manufacturer of any information required by this section that is omitted from the registration. Within 30 days of receipt of a notification from the agency, the manufacturer must submit a revised registration providing the information noted by the agency.

(g) The agency must maintain on its Web site the names of manufacturers and the manufacturers' brands listed in registrations filed with the agency. The agency must update the Web site information promptly upon receipt of a new or updated registration. The Web site must contain prominent language stating, in effect, that sections 115A.1310 to 115A.1330 are directed at household equipment and the manufacturers' brands list is, therefore, not a list of manufacturers qualified to sell to industrial, commercial, or other markets identified as exempt from the requirements of sections 115A.1310 to 115A.1330.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 115A.1312, subdivision 3, is amended to read:

Subd. 3. **Collector's registration.** ~~After August 1, 2007~~, No person may operate as a collector of covered electronic devices from households unless that person has submitted a registration with the agency by July 15 each year on a form prescribed by the commissioner. Registration information must include the name, address, telephone

number, and location of the business and a certification that the collector has complied and will continue to comply with the requirements of sections 115A.1312 to 115A.1318 and any local regulations that apply in a jurisdiction in which the collector operates. A collector must indicate any end-of-life fees that will be charged at the collection point. A registration is effective upon receipt by the agency and is valid until July ~~1~~ 15 each year.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 5. Minnesota Statutes 2014, section 115A.1312, subdivision 4, is amended to read:

Subd. 4. **Recycler's registration.** ~~After August 1, 2007,~~ No person may recycle video display devices generated by households unless that person has submitted a registration with the agency by July 15 each year on a form prescribed by the commissioner. Registration information must include the name, address, telephone number, and location of all recycling facilities under the direct control of the recycler that may receive ~~video display covered electronic~~ electronic devices from households and a certification that the recycler has complied and will continue to comply with the requirements of sections 115A.1312 to 115A.1318. A registered recycler ~~may~~ must conduct recycling activities that are consistent with this chapter. A registration is effective upon receipt by the agency and is valid until July ~~1~~ 15 each year.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 6. Minnesota Statutes 2014, section 115A.1314, as amended by Laws 2015, First Special Session chapter 4, article 4, section 106, is amended to read:

#### **115A.1314 MANUFACTURER'S REGISTRATION FEE.**

Subdivision 1. **Registration fee.** (a) Each manufacturer who registers under section 115A.1312 must, by ~~September 1, 2007, and August 15~~ each year thereafter, pay to the commissioner ~~of revenue~~ an annual registration fee. The commissioner ~~of revenue~~ must deposit the fee in the state treasury and credit the fee to the environmental fund.

(b) The registration fee for manufacturers that sell 100 or more video display devices to households in the state during the previous calendar year is equal to a base fee of \$2,500, plus a variable recycling fee. The variable recycling fee is calculated according to the formula:

~~((A x B) - (C + D)) x E~~ [A - (B + C)] x D, where:

(1) ~~A = the number of pounds of a manufacturer's video display devices sold to households during the previous program year, as reported to the department~~ the manufacturer's recycling obligation as determined under section 115A.1316, subdivision 1 115A.1320;

(2) ~~B = the proportion of sales of video display devices required to be recycled, set at 0.6 for the first program year and 0.8 for the second program year and every year thereafter;~~

(3) ~~C = the number of pounds of covered electronic devices recycled by a manufacturer from households during the previous program year, as reported to the department~~ agency under section 115A.1316, subdivision 1, except that at least 50 percent of the amount of B must represent the weight of video display devices containing a cathode-ray tube;

(4) ~~D~~ C = the number of recycling credits a manufacturer elects to use to calculate the variable recycling fee, ~~as reported to the department under section 115A.1316, subdivision 1;~~ and

~~(5) E D = the estimated per-pound cost of recycling, initially set at \$0.50 per pound for manufacturers who recycle less than 50 percent of the product (A x B) manufacturer's recycling obligation; \$0.40 per pound for manufacturers who recycle at least 50 percent but less than 90 percent of the product (A x B) manufacturer's recycling obligation; and \$0.30 per pound for manufacturers who recycle at least 90 percent but less than 100 percent of the product (A x B) manufacturer's recycling obligation; and \$0.00 per pound for manufacturers who recycle 100 percent or more of the manufacturer's recycling obligation. If the agency determines that the manufacturer's recycling obligation was not achievable, it may waive part or all of the variable fee.~~

(c) If, as specified in paragraph (b), the ~~term C (A x portion of B) equals a positive number of representing the weight of all covered electronic devices that contain a cathode-ray tube exceeds the manufacturer's recycling obligation, the amount of the excess, in pounds, that amount~~ is defined as the manufacturer's recycling credits. A manufacturer may retain recycling credits to be added, in whole or in part, to the actual value of C, as reported under section 115A.1316, subdivision 2, during any succeeding program year, provided that no more than 25 percent of a manufacturer's obligation ~~(A x B)~~ for any program year may be met with recycling credits generated in a prior program year. A manufacturer may sell any portion or all of its recycling credits to another manufacturer, at a price negotiated by the parties, who may use the credits in the same manner.

(d) For the purpose of calculating a manufacturer's variable recycling fee under paragraph (b), the weight of covered electronic devices collected from households located outside the 11-county metropolitan area, as defined in subdivision 2, paragraph ~~(e)~~ (b), is calculated at 1.5 times their actual weight.

~~(e) The registration fee for the initial program year and the base registration fee thereafter for a manufacturer who produces fewer than 100 video display devices for sale annually to households is \$1,250.~~

~~(f) For the ninth program year, the agency shall publish a statewide recycling goal of 16,000,000 pounds.~~

~~(g) For the ninth program year, the agency shall determine each registered manufacturer's market share of video display devices to be collected and recycled based on the manufacturer's percentage share of the total weight of video display devices sold as reported to the department for the eighth program year as reported to the agency by July 15, 2015. By July 30, 2015, the agency shall provide each manufacturer with a determination of its share of video display devices to be collected and recycled, which is the quotient of the total weight of the manufacturer's video display devices sold to households in the eighth program year, divided by the total weight of all manufacturers' video display devices sold to households in this state based on reporting to the agency for the eighth program year, then applied proportionally to the statewide recycling goal of 16,000,000 pounds as specified in paragraph (f).~~

~~(h) If a manufacturer's obligation for the recycling of video display devices as determined in paragraph (b), clauses (1) and (2), by weight is higher than the obligation determined by the agency in paragraph (g), then the higher number is the obligation for program year nine.~~

~~(i) For the ninth program year, a manufacturer that did not report sales data to the department for the eighth or ninth program years shall be subject to a recycling obligation that is equal to 80 percent by weight of the manufacturer's video display devices sold to households.~~

Subd. 2. **Use of registration fees.** (a) Registration fees may be used by the commissioner for:

(1) implementing sections 115A.1312 to 115A.1330, including ~~transfer to the commissioner of revenue to carry out the department's duties under section 115A.1320, subdivision 2, and~~ transfer to the commissioner of administration for responsibilities under section 115A.1324; and

(2) grants to counties outside the 11-county metropolitan area, as defined in paragraph (b), and to private entities that collect for recycling covered electronic devices in counties outside the 11-county metropolitan area, where the collection and recycling is consistent with the respective county's solid waste plan, for the purpose of carrying out the activities under sections 115A.1312 to 115A.1330. In awarding competitive grants under this clause, the commissioner must give preference to counties and private entities that are working cooperatively with manufacturers to help them meet their recycling obligations under section 115A.1318, subdivision 1.

(b) The 11-county metropolitan area consists of the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 7. Minnesota Statutes 2014, section 115A.1316, is amended to read:

**115A.1316 REPORTING REQUIREMENTS.**

Subdivision 1. **Manufacturer's reporting requirements.** (a) By ~~September 1 of~~ February 15 each year, ~~beginning in 2008~~, each manufacturer must report to the Department of Revenue, until June 30, 2017, and to the agency thereafter, using the form prescribed:

(1) the total weight of each specific model of its television video display devices sold to households and computer monitor video display devices sold to households during the previous ~~program~~ calendar year;

(2) the total weight of its television video display devices sold to households and computer monitor video display devices sold to households during the previous calendar year; or

(3) an estimate of the total weight of its television video display devices sold to households and computer monitor video display devices sold to households during the previous ~~program~~ calendar year, calculated by multiplying the weight of its television video display devices sold to households and computer monitor video display devices sold to households nationally times the quotient of Minnesota's population divided by the national population. All manufacturers with sales of 99 or fewer television video display devices sold to households and computer monitor video display devices sold to households during the previous calendar year must report using the method under this clause to calculate sales.

A manufacturer must submit with the report required under this paragraph a description of how the information or estimate was calculated.

(b) By ~~September 1 of~~ August 15 each year, ~~beginning in 2008~~, each manufacturer must report to the ~~department agency~~ the total weight of covered electronic devices and separately, the total weight of all televisions containing a cathode-ray tube and of all computer monitors containing a cathode-ray tube that the manufacturer collected from households and recycled or arranged to have collected and recycled during the preceding program year. ~~If a manufacturer wishes to receive the variable recycling rate of 1.5 for covered electronic devices it recycles, the manufacturer must report separately the total weight of covered electronic devices collected from households located in counties specified in section 115A.1314, subdivision 1, paragraph (d), and those collected from households located outside those counties.~~

(c) By ~~September 1 of~~ August 15 each year, ~~beginning in 2008~~, each manufacturer must report to the ~~department agency~~:

(1) the number of recycling credits the manufacturer has purchased and sold during the preceding program year;

(2) the number of recycling credits possessed by the manufacturer that the manufacturer elects to use in the calculation of its variable recycling fee under section 115A.1314, subdivision 1; and

(3) the number of recycling credits the manufacturer retains at the beginning of the current program year.

Subd. 2. **Recycler's reporting requirements.** By ~~August 1 of July 15~~ each year, ~~beginning in 2008~~, a recycler of covered electronic devices must report to the agency ~~and the department~~:

(1) the total weight of covered electronic devices recycled during the preceding program year and must certify that the recycler has complied with section 115A.1318, subdivision 2;

(2) the weight of video display devices, video display devices containing a cathode-ray tube, televisions containing a cathode-ray tube, and computer monitors containing a cathode-ray tube recycled as part of covered electronic devices recycled during the previous program year; and

(3) an estimate of the weight of portable batteries and mercury-containing lamps that are associated with the covered electronic devices managed.

Subd. 3. **Collector's reporting requirements.** By ~~August 1 of July 15~~ each year, ~~beginning in 2008~~, a collector must report separately to the agency on a form prescribed by the commissioner:

(1) the total pounds of covered electronic devices collected in the ~~counties specified in section 115A.1314, subdivision 1, paragraph (d), and all other Minnesota counties, and state~~;

(2) a list of all recyclers to whom ~~collectors~~ a collector delivered covered electronic devices; and

(3) whether the collector had a contract with a recycler or manufacturer to provide covered electronic devices that contribute toward meeting a manufacturer's obligation.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 8. Minnesota Statutes 2014, section 115A.1318, subdivision 1, is amended to read:

Subdivision 1. **Manufacturer's responsibilities.** (a) In addition to fulfilling the requirements of sections 115A.1310 to 115A.1330, a manufacturer must comply with paragraphs (b) to ~~(e)~~ (f).

(b) A manufacturer must annually recycle or arrange for the collection and recycling of an amount of ~~covered electronic~~ video display devices equal to the total weight of its video display devices sold to households during the preceding program year, multiplied by the proportion of sales of video display devices required to be recycled, as established determined by the agency under in section 115A.1320, subdivision 1, ~~paragraph (e)~~. A manufacturer must assume all financial responsibility associated with the transportation and recycling of video display devices containing a cathode-ray tube, excluding costs associated with receiving and aggregating covered electronic devices from households and all activities up to the time that covered electronic devices are transported to a recycler or arranged for transportation to a recycler.

(c) The obligations of a manufacturer apply only to video display devices received from households and do not apply to video display devices received from sources other than households.

(d) A manufacturer must conduct and document due diligence assessments of collectors and recyclers it contracts with, including an assessment of items specified under subdivision 2. A manufacturer is responsible for maintaining, for a period of three years, documentation that all ~~video display~~ covered electronic devices recycled, partially recycled, or sent to downstream recycling operations comply with the requirements of subdivision 2.

(e) A manufacturer must provide the agency with contact information for a person who can be contacted regarding the manufacturer's activities under sections 115A.1310 to 115A.1320.

(f) Only covered electronic devices recycled by a registered recycler that is certified by a third-party certification body that is accredited by the ANSI-ASQ National Accreditation Board to assess whether a recycler employs environmentally sound management standards are eligible to meet the manufacturer's obligation.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 9. Minnesota Statutes 2014, section 115A.1318, is amended by adding a subdivision to read:

Subd. 1a. **Collector's responsibilities.** (a) A collector must turn over all covered electronic devices to the recycler or manufacturer or group of manufacturers unless otherwise agreed upon by the recycler or manufacturer.

(b) Collection sites must be:

(1) staffed; and

(2) open to the public at a frequency adequate to meet the needs of the area being served.

(c) A collector may limit the number of covered electronic devices or covered electronic devices by product type accepted per customer per day or per delivery at a collection site or service.

(d) A collector must deliver covered electronic devices or video display devices for recycling only to a recycler registered under section 115A.1312, subdivision 4.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 10. Minnesota Statutes 2014, section 115A.1318, subdivision 2, is amended to read:

Subd. 2. **Recycler's responsibilities.** (a) As part of the report submitted under section 115A.1316, subdivision 2, a recycler must certify, except as provided in paragraph (b), that facilities that recycle ~~video display~~ covered electronic devices, including all downstream recycling operations:

(1) accept covered electronic devices only from collectors registered under section 115A.1312, subdivision 3;

(2) comply with all applicable health, environmental, safety, and financial responsibility regulations;

~~(2)~~ (3) are licensed by all applicable governmental authorities;

~~(3)~~ (4) use no prison labor to recycle video display devices; and

~~(4)~~ (5) possess liability insurance of not less than \$1,000,000 for environmental releases, accidents, and other emergencies;

(6) provide a report annually to each registered collector delivering video display devices to the recycler regarding the video display devices received from a collector; and

(7) do not charge collectors for the management of video display devices unless otherwise mutually agreed upon.

(b) A nonprofit corporation that contracts with a correctional institution to refurbish and reuse donated computers in schools is exempt from paragraph (a), clauses ~~(3) and (4)~~ and (5).

(c) Except to the extent otherwise required by law and unless agreed upon otherwise by the recycler or manufacturer, a recycler has no responsibility for any data that may be contained in a covered electronic device if an information storage device is included in the covered electronic device.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 11. Minnesota Statutes 2014, section 115A.1320, is amended to read:

**115A.1320 AGENCY ~~AND DEPARTMENT~~ DUTIES.**

Subdivision 1. **Duties of agency.** (a) The agency shall administer sections 115A.1310 to 115A.1330.

(b) The agency shall establish procedures for:

(1) receipt and maintenance of the registration statements and certifications filed with the agency under section 115A.1312; and

(2) making the statements and certifications easily available to manufacturers, retailers, and members of the public.

(c) The agency shall annually review the ~~value of the~~ following variables that are ~~part of the formula~~ used to calculate a manufacturer's annual registration fee under section 115A.1314, subdivision 1:

(1) ~~the proportion of sales of video display devices sold to households that~~ obligation-setting mechanism for manufacturers are required to recycle established in paragraph (h);

(2) the estimated per-pound price of recycling covered electronic devices sold to households; and

(3) the base registration fee; ~~and~~.

~~(4) the multiplier established for the weight of covered electronic devices collected in section 115A.1314, subdivision 1, paragraph (d).~~

(d) If the agency determines that any of these the values in paragraph (c), clauses (1) to (3), must be changed in order to improve the efficiency or effectiveness of the activities regulated under sections 115A.1312 to 115A.1330, or if the revenues collected by the agency under section 115A.1314 exceed the amount that the agency determines is necessary to fulfill its duties under this section, the agency shall submit recommended changes and the reasons for them to the chairs of the senate and house of representatives committees with jurisdiction over solid waste policy.

~~(d) (e) By January 15 May 1 each year, beginning in 2008 2019, the agency shall calculate estimated sales of publish a statewide recycling goal for all video display devices sold to households by each manufacturer during the preceding program year, based on national sales data, and forward the estimates to the department. that is equal to the sum of the weight of all televisions that contain a cathode-ray tube and computer monitors that contain a cathode-ray tube that were collected for recycling during each of the previous three program years, excluding the most recently completed program year, divided by two.~~

(f) For program years beginning July 1, 2016, 2017, and 2018, the agency shall establish and publish separate statewide recycling goals for video display devices, televisions containing a cathode-ray tube, and computer monitors containing a cathode-ray tube, as follows:

(1) the agency shall set the statewide recycling goal for video display devices at 24,000,000 pounds, 22,000,000 pounds, and 20,000,000 pounds, respectively, during these successive program years;

(2) the agency shall set the recycling goal for televisions containing a cathode-ray tube at 85 percent of the applicable amount in clause (1); and

(3) the agency shall set the recycling goal for computer monitors containing a cathode-ray tube at 15 percent of the applicable amount in clause (1).

(g) By May 1 each year, the agency shall calculate separately, based on information reported by the manufacturer under section 115A.1316, subdivision 1, each manufacturer's share of the total statewide weight of television video display devices sold to households and computer monitor video display devices sold to households.

(h) By May 1 each year, the agency shall calculate a manufacturer's annual recycling obligation by multiplying the percentage calculated in paragraph (g) times the statewide recycling goal calculated in paragraph (e) or (f), as applicable.

~~(e)~~ (i) The agency shall provide a report to the governor and the legislature on the implementation of sections 115A.1310 to 115A.1330. For each program year, the report must discuss the total weight of covered electronic devices recycled and a summary of information in the reports submitted by manufacturers and recyclers under section 115A.1316. The report must also discuss the various collection programs used by manufacturers to collect covered electronic devices; information regarding covered electronic devices that are being collected by persons other than registered manufacturers, collectors, and recyclers; and information about covered electronic devices, if any, being disposed of in landfills in this state. The report must include a description of enforcement actions under sections 115A.1310 to 115A.1330. The agency may include in its report other information received by the agency regarding the implementation of sections 115A.1312 to 115A.1330. The report must be done in conjunction with the report required under section 115A.121.

~~(f)~~ (j) The agency shall promote public participation in the activities regulated under sections 115A.1312 to 115A.1330 through public education and outreach efforts.

~~(g)~~ (k) The agency shall enforce sections 115A.1310 to 115A.1330 in the manner provided by sections 115.071, subdivisions 1, 3, 4, 5, and 6; and 116.072, ~~except for those provisions enforced by the department, as provided in subdivision 2.~~ The agency may revoke a registration of a collector or recycler found to have violated sections 115A.1310 to 115A.1330.

~~(h)~~ (l) The agency shall facilitate communication between counties, collection and recycling centers, and manufacturers to ensure that manufacturers are aware of video display devices available for recycling.

~~(i) The agency shall develop a form retailers must use to report information to manufacturers under section 115A.1318 and post it on the agency's Web site.~~

~~(j)~~ (m) The agency shall post on its Web site the contact information provided by each manufacturer under section 115A.1318, subdivision 1, paragraph (e).

Subd. 2. **Additional duties of department.** (a) The ~~department~~ agency must collect the data submitted to it annually by each manufacturer on the total weight of each specific model of video display device sold to households, if provided; the total weight of video display devices sold to households; the total weight of covered

electronic devices collected from households that are recycled; and data on recycling credits, as required under section 115A.1316. The ~~department agency~~ must use this data to review each manufacturer's annual registration fee submitted to the ~~department agency~~ to ensure that the fee was calculated accurately ~~according to the formula in section 115A.1314, subdivision 1.~~

(b) The ~~department agency~~ must estimate, for each registered manufacturer, the sales of video display devices to households during the previous program year, based on:

(1) data provided by a manufacturer on sales of video display devices to households, including documentation describing how that amount was calculated and certification that the amount is accurate; or

(2) if a manufacturer does not provide the data specified in clause (1), national data on sales of video display devices.

The ~~department agency~~ must use the data specified in this subdivision to review each manufacturer's annual registration fee submitted to the ~~department agency~~ to ensure that the fee was calculated accurately according to the formula in section 115A.1314, subdivision 1.

(c) The ~~department agency~~ must enforce section 115A.1314, subdivision 1. The audit, assessment, appeal, collection, enforcement, disclosure, and other administrative provisions of chapters 270B, 270C, and 289A that apply to the taxes imposed under chapter 297A apply to the fee imposed under section 115A.1314, subdivision 1. To enforce ~~this subdivision, section 115A.1314, subdivision 1,~~ the commissioner may request that the commissioner of revenue ~~may~~ grant extensions to pay, and impose and abate penalties and interest on, the fee due under section 115A.1314, subdivision 1, in the manner provided in chapters 270C and 289A as if the fee were a tax imposed under chapter 297A.

~~(d) The department may disclose nonpublic data to the agency only when necessary for the efficient and effective administration of the activities regulated under sections 115A.1310 to 115A.1330. Any data disclosed by the department to the agency retains the classification it had when in the possession of the department.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 12. Minnesota Statutes 2014, section 115A.1323, is amended to read:

**115A.1323 ANTICOMPETITIVE CONDUCT.**

(a) A manufacturer that organizes collection or recycling under ~~this section~~ sections 115A.1310 to 115A.1322 is authorized to engage in anticompetitive conduct to the extent necessary to plan and implement its chosen organized collection or recycling system and is immune from liability under state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce.

(b) An organization of manufacturers, an individual manufacturer, and its officers, members, employees, and agents who cooperate with a political subdivision that organizes collection or recycling under this section are authorized to engage in anticompetitive conduct to the extent necessary to plan and implement the organized collection or recycling system, provided that the political subdivision actively supervises the participation of each entity. An organization, entity, or person covered by this paragraph is immune from liability under state law relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce.

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

Sec. 13. Minnesota Statutes 2014, section 115A.1328, is amended to read:

**115A.1328 MULTISTATE IMPLEMENTATION.**

The agency ~~and department are~~ is authorized to participate in the establishment of a regional multistate organization or compact to assist in carrying out the requirements of this chapter.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 14. **REPORT; ELECTRONIC WASTE RECYCLING.**

The commissioner of the Pollution Control Agency shall prepare a report analyzing the cost of recycling video display devices that contain a cathode-ray tube, video display devices that do not contain a cathode-ray tube, and covered electronic devices that are not video display devices, and compare those costs with the revenues obtained from recycling those products. In preparing the report, the commissioner must use information provided by Minnesota stakeholders and by public and private stakeholders that participate in electronics recycling nationally. The report must contain recommendations regarding changes to the way that manufacturers' recycling obligations are calculated, including which covered electronic devices, based on economic and environmental considerations, should count toward a manufacturer's recycling obligation. The report must be submitted to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over solid waste policy by January 15, 2019.

Sec. 15. **REPEALER.**

Minnesota Statutes 2014, section 115A.1310, subdivision 8, is repealed.

**EFFECTIVE DATE.** This section is effective July 1, 2016."

Delete the title and insert:

"A bill for an act relating to environment; modifying electronic waste management provisions; requiring a report; amending Minnesota Statutes 2014, sections 115A.1310, subdivision 20, by adding a subdivision; 115A.1312, subdivisions 2, 3, 4; 115A.1314, as amended; 115A.1316; 115A.1318, subdivisions 1, 2, by adding a subdivision; 115A.1320; 115A.1323; 115A.1328; repealing Minnesota Statutes 2014, section 115A.1310, subdivision 8."

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

The report was adopted.

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

H. F. No. 1495, A bill for an act relating to transportation; appropriating money for State Patrol troopers.

Reported the same back with the following amendments:

Page 1, line 7, after the period, insert "This is a onetime appropriation."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 1652, A bill for an act relating to health; making changes to the Minnesota prescription monitoring program; amending Minnesota Statutes 2014, section 152.126, subdivisions 1, 3, 5, 6; repealing Laws 2014, chapter 286, article 7, section 4.

Reported the same back with the following amendments:

Page 3, line 15, reinstate the stricken language

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 2344, A bill for an act relating to health; regulating the practice of orthotics, prosthetics, and pedorthics; requiring licensure; establishing fees; proposing coding for new law as Minnesota Statutes, chapter 153B.

Reported the same back with the following amendments:

Page 5, after line 5, insert:

"(3) a health professional or a representative from a device manufacturer from providing services under the supervision of a physician, osteopathic physician, or podiatric physician licensed by the state of Minnesota;"

Page 5, line 6, delete "(3)" and insert "(4)"

Page 5, line 9, delete "(4)" and insert "(5)"

Page 5, line 15, delete "(5)" and insert "(6)"

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

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 2345, A bill for an act relating to health occupations; establishing a tiered registry system for spoken language health care interpreters; appropriating money; amending Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 18a; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 2014, section 144.058.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 2371, A bill for an act relating to claims against the state; changing and updating certain claims provisions; amending Minnesota Statutes 2014, sections 3.736, subdivision 3; 3.738; 3.739, subdivision 2; 3.749.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 3.736, subdivision 3, is amended to read:

Subd. 3. **Exclusions.** Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) a loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or rule;

(b) a loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) a loss in connection with the assessment and collection of taxes;

(d) a loss caused by snow or ice conditions on a highway or public sidewalk that does not abut a publicly owned building or a publicly owned parking lot, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) a loss caused by wild animals in their natural state, except as provided in section 3.7371;

(f) a loss other than injury to or loss of property or personal injury or death;

(g) a loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, state land that contains idled or abandoned mine pits or shafts, and appurtenances, fixtures, and attachments to land that the state has neither affixed nor improved;

(h) a loss involving or arising out of the use or operation of a recreational motor vehicle, as defined in section 84.90, subdivision 1, within the right-of-way of a trunk highway, as defined in section 160.02, except that the state is liable for conduct that would entitle a trespasser to damages against a private person;

(i) a loss incurred by a user arising from the construction, operation, or maintenance of the outdoor recreation system, as defined in section 86A.04, or for a loss arising from the construction, operation, maintenance, or administration of grants-in-aid trails as defined in section 85.018, or for a loss arising from the construction, operation, or maintenance of a water access site created by the Iron Range Resources and Rehabilitation Board, except that the state is liable for conduct that would entitle a trespasser to damages against a private person. For the purposes of this clause, a water access site, as defined in section 86A.04 or created by the Iron Range Resources and Rehabilitation Board, that provides access to an idled, water filled mine pit, also includes the entire water filled area of the pit and, further, includes losses caused by the caving or slumping of the mine pit walls;

(j) a loss of benefits or compensation due under a program of public assistance or public welfare, except if state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(k) a loss based on the failure of a person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(l) a loss based on the usual care and treatment, or lack of care and treatment, of a person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(m) loss, damage, or destruction of property of a patient or inmate of a state institution except as provided under section 3.7381;

(n) a loss for which recovery is prohibited by section 169A.48, subdivision 2;

(o) a loss caused by an aeration, bubbler, water circulation, or similar system used to increase dissolved oxygen or maintain open water on the ice of public waters, that is operated under a permit issued by the commissioner of natural resources;

(p) a loss incurred by a visitor to the Minnesota Zoological Garden, except that the state is liable for conduct that would entitle a trespasser to damages against a private person;

(q) a loss arising out of a person's use of a logging road on public land that is maintained exclusively to provide access to timber on that land by harvesters of the timber, and is not signed or otherwise held out to the public as a public highway; and

(r) a loss incurred by a user of property owned, leased, or otherwise controlled by the Minnesota National Guard or the Department of Military Affairs, except that the state is liable for conduct that would entitle a trespasser to damages against a private person.

The state will not pay punitive damages.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

**Sec. 2. [3.7381] LOSS, DAMAGE, OR DESTRUCTION OF PROPERTY; STATE INSTITUTIONS; CORRECTIONAL FACILITIES.**

(a) The commissioners of human services, veterans affairs, or corrections, as appropriate, shall determine, adjust, and settle, at any time, claims and demands of \$7,000 or less arising from negligent loss, damage, or destruction of property of a patient of a state institution under the control of the commissioner of human services or the commissioner of veterans affairs or an inmate of a state correctional facility.

(b) A claim of more than \$7,000, or a claim that was not paid by the appropriate department may be presented to, heard, and determined by the appropriate committees of the senate and the house of representatives and, if approved, shall be paid pursuant to legislative claims procedure.

(c) The procedure established by this section is exclusive of all other legal, equitable, and statutory remedies.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 3.739, subdivision 2, is amended to read:

Subd. 2. **Evaluation and payment of claims.** Claims of ~~\$500~~ \$7,000 or less subject to this section shall be investigated by the state or local agency responsible for supervising the work to determine if the claim is valid and if the loss is covered by the claimant's insurance. The investigating agency shall submit all appropriate claims to the Department of Corrections. Subject to the limitations contained in subdivision 2a, the department shall pay the portion of an approved claim that is not covered by the claimant's insurance. This payment shall be made within a reasonable time. On or before the first day of each legislative session, the department shall submit to the appropriate committees of the senate and the house of representatives a list of the claims paid by it during the preceding calendar year and shall be reimbursed by legislative appropriation for the claims paid. For the purposes of this paragraph, in the case of a juvenile claimant the term "claimant's insurance" includes the insurance of the juvenile's parents if the juvenile is covered by the insurance.

A claim in excess of ~~\$500~~ \$7,000, and a claim that was not paid by the department may be presented to, heard, and determined by the appropriate committees of the senate and the house of representatives and, if approved, shall be paid pursuant to legislative claims procedure.

No juvenile claimant receiving payment under this section may be identified by name either in the list of claimants submitted by the department or in the legislative appropriation.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 3.749, is amended to read:

### **3.749 LEGISLATIVE CLAIMS; FILING FEE.**

A person filing a claim with the joint senate-house of representatives Subcommittee on Claims must pay a filing fee of ~~\$5~~ \$8. The money must be deposited by the clerk of the subcommittee in the state treasury and credited to the general fund. A claimant who is successful in obtaining an award from the subcommittee shall be reimbursed for the fee paid.

**EFFECTIVE DATE.** This section is effective July 1, 2016."

Delete the title and insert:

"A bill for an act relating to claims; providing for claims for loss, damage, or destruction of property of patients or inmates of a state institution; establishing a claim limit of \$7,000 for settlement by the commissioners of human services, veterans affairs, or corrections for property claims made by patients or inmates and medical claims made by conditionally released offenders; increasing claims filing fee; amending Minnesota Statutes 2014, sections 3.736, subdivision 3; 3.739, subdivision 2; 3.749; proposing coding for new law in Minnesota Statutes, chapter 3."

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

The report was adopted.

McNamara from the Committee on Environment and Natural Resources Policy and Finance to which was referred:

H. F. No. 2528, A bill for an act relating to natural resources; establishing David Dill memorial trail; appropriating money; amending Minnesota Statutes 2014, section 85.015, subdivision 13.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 2625, A bill for an act relating to local government; extending the response time residency requirement for Richfield firefighters; amending Laws 2010, chapter 207, section 1.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 2688, A bill for an act relating to elections; modifying provisions related to elections and election administration; amending Minnesota Statutes 2014, sections 202A.13; 204B.04, by adding a subdivision; 204B.14, subdivision 7; 204B.146, subdivision 3; 204B.18, subdivision 1; 204C.07, subdivision 3; 204C.37; 204C.39, subdivision 4; 204D.22, subdivision 2; 205.065, subdivision 4; 205.10, subdivision 6; 205A.03, subdivision 3; 205A.05, subdivision 2; 205A.06, subdivision 1; 205A.11, subdivision 2a; 209.021, subdivision 1; Minnesota Statutes 2015 Supplement, sections 123B.095, subdivision 1; 203B.17, subdivision 1; 204B.45, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
ELECTIONS ADMINISTRATION

Section 1. Minnesota Statutes 2014, section 202A.13, is amended to read:

**202A.13 COMMITTEES, CONVENTIONS.**

The rules of each major political party shall provide that for each congressional district and each county or legislative district a convention shall be held at least once every state general election year. Each major political party shall also provide for each congressional district and each county or legislative district an executive committee consisting of a chair and such other officers as may be necessary. The party rules may provide for only one executive committee and one convention where any county and congressional district have the same territorial limits.

A delegate or alternate who is deaf, deafblind, or hard-of-hearing who needs interpreter services at a county, legislative district, congressional district, or state convention shall so notify the executive committee of the major political party unit whose convention the delegate or alternate plans to attend. Written notice must be given by certified mail or electronic mail to the executive committee at least 30 days before the convention date. The major political party, not later than 14 days before the convention date, shall secure the services of one or more interpreters if available and shall assume responsibility for the cost of the services. The state central committee of the major political party shall determine the process for reimbursing interpreters.

A visually impaired delegate or alternate to a county, legislative district, congressional district, or state convention may notify the executive committee of the major political party unit that the delegate or alternate requires convention materials in audio tape, Braille, or large print format. Upon receiving the request, the executive committee shall provide all official written convention materials as soon as they are available, so that the visually impaired individual may have them converted to audio tape, Braille, or large print format, prior to the convention.

Sec. 2. Minnesota Statutes 2015 Supplement, section 203B.17, subdivision 1, is amended to read:

Subdivision 1. **Submission of application.** (a) An application for absentee ballots for a voter described in section 203B.16 must be in writing and may be submitted in person, by mail, by electronic facsimile device, by electronic mail, or electronically through a secure Web site that shall be maintained by the secretary of state for this purpose, upon determination by the secretary of state that security concerns have been adequately addressed. An application for absentee ballots for a voter described in section 203B.16 may be submitted by that voter or by that voter's parent, spouse, sister, brother, or child over the age of 18 years.

(b) An application for a voter described in section 203B.16, subdivision 1, shall be submitted to the county auditor of the county where the voter maintains residence or through the secure Web site maintained by the secretary of state.

(c) An application for a voter described in section 203B.16, subdivision 2, shall be submitted to the county auditor of the county where the voter or the voter's parent last maintained residence in Minnesota or through the secure Web site maintained by the secretary of state.

(d) An application for absentee ballots shall be valid for any primary, special primary, general election, or special election from the time the application is received through the end of that calendar year or through the next regularly scheduled state general election, whichever is later.

(e) There shall be no limitation of time for filing and receiving applications for ballots under sections 203B.16 to 203B.27.

Sec. 3. Minnesota Statutes 2014, section 204B.04, is amended by adding a subdivision to read:

**Subd. 5. Ballots; candidates who file by nominating petition.** Candidates who were filed as a team by nominating petition under section 204B.07, subdivision 2, shall not appear on the ballot as minor party or independent candidates if either candidate is certified as a major party candidate for president or vice president pursuant to section 208.03.

Sec. 4. Minnesota Statutes 2014, section 204B.14, subdivision 7, is amended to read:

Subd. 7. **Application to municipalities.** Notwithstanding the provisions of section 410.21, or any other law, ordinance or charter to the contrary, the provisions of subdivisions 1, and 3 ~~and 6~~ apply to all municipalities.

Sec. 5. Minnesota Statutes 2014, section 204B.146, subdivision 3, is amended to read:

Subd. 3. **Correction to election district boundaries.** When a municipal boundary ~~that has changed and is~~ that has changed and is coterminous with (1) a congressional, legislative, or county commissioner district boundary has changed, or (2) a soil and water conservation district supervisor district boundary elected by district under section 103C.311, subdivision 2, and the affected territory contains 50 or fewer registered voters, the secretary of state may order corrections to move the affected election district boundaries so ~~they the boundaries are~~ they the boundaries are again ~~will be~~ coterminous with the municipal boundary. The election district boundary change is effective 28 days after the date that the order is issued. The secretary of state shall immediately notify the municipal clerk and county auditor affected by the boundary change and the Legislative Coordinating Commission. The municipal clerk shall send a nonforwardable notice stating the location of the polling place to every household containing a registered voter affected by the boundary change at least 25 days before the next election.

Sec. 6. Minnesota Statutes 2014, section 204B.18, subdivision 1, is amended to read:

Subdivision 1. **Booths; voting stations.** (a) Each polling place must contain a number of voting booths or voting stations in proportion to the number of individuals eligible to vote in the precinct. ~~Each booth or station must be at least six feet high, three feet deep and two feet wide with a shelf at least two feet long and one foot wide placed at a convenient height for writing.~~ The booth or station shall permit the voter to vote privately and independently.

(b) Each polling place must have at least one accessible voting booth or other accessible voting station and beginning with federal and state elections held after December 31, 2005, and county, municipal, and school district elections held after December 31, 2007, one voting system that conforms to section 301(a)(3)(B) of the Help America Vote Act, Public Law 107-252.

(c) Local jurisdictions must make accessible voting stations purchased with funds provided from the Help America Vote Act account available to other local jurisdictions holding stand-alone elections. The jurisdiction providing the equipment may require the jurisdiction using the equipment to reimburse any direct actual costs incurred as a result of the equipment's use and any prorated indirect costs of maintaining and storing the equipment. A rental or other similar use fee may not be charged.

Any funds received under this paragraph for expenses incurred by that local jurisdiction as a direct result of making the equipment available that were not paid for in whole or in part with funds from the Help America Vote Act account are not program income under the Help America Vote Act, Public Law 107-252.

Any funds received by a local jurisdiction making the equipment available as reimbursement for expenses as defined as "operating costs" under Laws 2005, chapter 162, section 34, subdivision 1, paragraph (b), and paid for in whole or in part with funds from the Help America Vote Act account must be treated as program income and deposited into the jurisdiction's Help America Vote Act account in the direct proportion that funds from the Help America Vote Act account were used to pay for those "operating costs."

(d) All booths or stations must be constructed so that a voter is free from observation while marking ballots. During the hours of voting, the booths or stations must have instructions, a pencil, and other supplies needed to mark the ballots. A chair must be provided for elderly voters and voters with disabilities to use while voting or waiting to vote. Stable flat writing surfaces must also be made available to voters who are completing election-related forms.

(e) All ballot boxes, voting booths, voting stations, and election judges must be in open public view in the polling place.

Sec. 7. Minnesota Statutes 2015 Supplement, section 204B.45, subdivision 2, is amended to read:

Subd. 2. **Procedure.** Notice of the election and the special mail procedure must be given at least ten weeks prior to the election. Not more than 46 days nor later than 14 days before a regularly scheduled election and not more than 30 days nor later than 14 days before any other election, the auditor shall mail ballots by nonforwardable mail to all voters registered in the city, town, or unorganized territory. No later than 14 days before the election, the auditor must make a subsequent mailing of ballots to those voters who register to vote after the initial mailing but before the 20th day before the election. Eligible voters not registered at the time the ballots are mailed may apply for ballots as provided in chapter 203B. Ballot return envelopes, with return postage provided, must be preaddressed to the auditor or clerk and the voter may return the ballot by mail or in person to the office of the auditor or clerk. The auditor or clerk must appoint a ballot board to examine the mail and absentee ballot return envelopes and mark them "accepted" or "rejected" within three days of receipt if there are 14 or fewer days before election day, or within five days of receipt if there are more than 14 days before election day. The board may consist of deputy county auditors or deputy municipal clerks who have received training in the processing and counting of mail ballots, who need not be affiliated with a major political party. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10. If an envelope has been rejected at least five days before the election, the ballots in the envelope must remain sealed and the auditor or clerk shall provide the voter with a replacement ballot and return envelope in place of the spoiled ballot. If the ballot is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or e-mail to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

If the ballot is accepted, the county auditor or municipal clerk must mark the roster to indicate that the voter has already cast a ballot in that election. After the close of business on the seventh day before the election, the ballots from return envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided by section 206.86, subdivision 5, initialed by the members of the ballot board, and deposited in the ballot box.

In all other respects, the provisions of the Minnesota Election Law governing deposit and counting of ballots apply.

The mail and absentee ballots for a precinct must be counted together and reported as one vote total. No vote totals from mail or absentee ballots may be made public before the close of voting on election day.

The costs of the mailing shall be paid by the election jurisdiction in which the voter resides. Any ballot received by 8:00 p.m. on the day of the election must be counted.

Sec. 8. Minnesota Statutes 2014, section 204C.07, subdivision 3, is amended to read:

Subd. 3. **Elections on a question.** At an election where a question is to be voted upon in an election jurisdiction, the appropriate mayor of a city, ~~or the~~ school board of a school district, or ~~the~~ board of supervisors of a town, upon receiving a written petition signed by at least 25 eligible voters, shall appoint by written certificate one voter for each precinct in the municipality, or school district if applicable, to act as a challenger of voters in the polling place for that precinct. The petition must be delivered to the clerk of the municipality or school conducting the election.

Sec. 9. Minnesota Statutes 2014, section 204C.37, is amended to read:

**204C.37 COUNTY CANVASS; RETURN OF REPORTS TO SECRETARY OF STATE.**

A copy of the report required by sections 204C.32, subdivision 1, and 204C.33, subdivision 1, shall be certified under the official seal of the county auditor. The copy shall be enclosed in an envelope addressed to the secretary of state, with the county auditor's name and official address and the words "Election Returns" endorsed on the

envelope. The copy of the canvassing board report ~~and the precinct summary statements~~ must be sent by express mail or delivered to the secretary of state. If the copy is not received by the secretary of state within ten days following the applicable election, the secretary of state shall immediately notify the county auditor, who shall deliver another copy to the secretary of state by special messenger.

Sec. 10. Minnesota Statutes 2014, section 204C.39, subdivision 4, is amended to read:

Subd. 4. **Canvassing board; declaration of results; notification.** The canvassing board shall declare the results of the election upon completing the inspection for the office in question. The report and declaration shall be filed by the county auditor, who shall mail a certified copy to each candidate for that office. The county auditor shall promptly notify the secretary of state by ~~certified~~ United States mail and electronic mail of the action of the county canvassing board.

Sec. 11. Minnesota Statutes 2014, section 204D.22, subdivision 2, is amended to read:

Subd. 2. **Posting of writ.** Immediately upon receipt of the writ, the secretary of state shall send a certified copy of the writ by ~~certified~~ United States mail and electronic mail to the county auditor of each county in which candidates to fill the vacancy are to be voted upon. The county auditor shall post a copy of the writ in the auditor's office at least five days before the close of the time for filing affidavits of candidacy for the special election.

Sec. 12. Minnesota Statutes 2014, section 205.065, subdivision 4, is amended to read:

Subd. 4. **Candidates, filing.** The clerk shall place upon the primary ballot without partisan designation the names of individuals whose candidacies have been filed and for whom the proper filing fee has been paid. When not more than twice the number of individuals to be elected to a municipal office file for nomination for the office, their names shall not be placed upon the primary ballot and shall be placed on the municipal general election ballot as the nominees for that office. When more than one council member is to be elected for full terms at the same election, the candidates' names shall be placed under one office on the ballot with the number to be elected to the office specified directly underneath the title and identification of the office.

Sec. 13. Minnesota Statutes 2014, section 205.10, subdivision 6, is amended to read:

Subd. 6. **Cancellation.** A special election ordered by the governing body of the municipality on its own motion under subdivision 1 may be canceled by motion of the governing body, but not less than ~~46~~ 74 days before the election.

Sec. 14. Minnesota Statutes 2014, section 205A.03, subdivision 3, is amended to read:

Subd. 3. **Candidates, filing.** The clerk shall place upon the primary ballot without partisan designation the names of individuals whose candidacies have been filed and for whom the proper filing fee has been paid. When not more than twice as many school board candidates as there are at-large school board positions available file for nomination for the office or when not more than two candidates for a specified school board position file for nomination for that office, their names must not be placed upon the primary ballot and must be placed on the school district general election ballot as the nominees for that office. When more than one school board member is to be elected for full terms at the same election, the candidates' names shall be placed under one office on the ballot with the number to be elected to the office specified directly underneath the title and identification of the office.

Sec. 15. Minnesota Statutes 2014, section 205A.05, subdivision 2, is amended to read:

Subd. 2. **Vacancies in school district offices.** Special elections to fill vacancies in elective school district offices shall be held in school districts ~~in conjunction with school district primary and general elections to fill vacancies in elective school district offices pursuant to section 123B.095.~~ When more than one vacancy exists in an office elected at-large, voters must be instructed to vote for up to the number of vacancies to be filled.

Sec. 16. Minnesota Statutes 2014, section 205A.06, subdivision 1, is amended to read:

Subdivision 1. **Affidavit of candidacy.** An individual who is eligible and desires to become a candidate for an office to be voted on at the election must file an affidavit of candidacy with the school district clerk. The affidavit must be in ~~substantially the same form as that in~~ prescribed by section 204B.06, ~~subdivision 1~~. The school district clerk shall also accept an application signed by at least five voters and filed on behalf of an eligible voter in the school district whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. No individual shall be nominated by nominating petition for a school district elective office. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation.

Sec. 17. Minnesota Statutes 2014, section 205A.11, subdivision 2a, is amended to read:

Subd. 2a. **Notice of special elections.** The school district clerk shall prepare a notice to the voters who will be voting in a combined polling place for a school district special election. The notice must include the following information: the date of the election, the hours of voting, and the location of the voter's polling place. The notice must be sent by nonforwardable mail to every affected household in the school district with at least one registered voter. The notice must be mailed no later than 14 days before the election. The mailed notice is not required for a school district special election that is held on the second Tuesday in August, the Tuesday following the first Monday in November, or for a special election conducted entirely by mail. ~~In addition, the mailed notice is not required for voters residing in a township if the school district special election is held on the second Tuesday in March and the town general election is held on that day.~~ A notice that is returned as undeliverable must be forwarded immediately to the county auditor.

Sec. 18. Minnesota Statutes 2014, section 209.021, subdivision 1, is amended to read:

Subdivision 1. **Manner; time; contents.** Service of a notice of contest must be made in the same manner as the service of summons in civil actions. The notice of contest must specify the grounds on which the contest will be made. The contestant shall serve notice of the contest on the parties enumerated in this section. Except as provided in section 204D.27, notice must be served and filed within five days after the canvass is completed in the case of a primary or special primary or within seven days after the canvass is completed in the case of a special or general election; ~~except that,~~ If a contest is based on a deliberate, serious, and material violation of the election laws ~~which that~~ was discovered from the statements of receipts and disbursements required to be filed by candidates and committees, the action may be commenced and the notice served and filed within ten days after the filing of the statements in the case of a general or special election or within five days after the filing of the statements in the case of a primary or special primary. If a notice of contest questions only which party received the highest number of votes legally cast at the election, a contestee who loses may serve and file a notice of contest on any other ground during the three days following expiration of the time for appealing the decision on the vote count.

## ARTICLE 2 SCHOOL BOARD VACANCIES

Section 1. Minnesota Statutes 2014, section 123B.09, is amended by adding a subdivision to read:

Subd. 5b. **Appointments to fill vacancies; special elections.** (a) Except as provided in paragraph (b), any vacancy on the board, other than a vacancy described in subdivision 4, must be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall be effective 30 days following adoption of the resolution, subject to paragraph (c). If the appointment becomes effective, it shall continue until an election is held under this subdivision. All elections to fill vacancies shall be for the unexpired term. If the vacancy occurs 21 or more days before the first day to file affidavits of candidacy for the next school district general election and more than two years remain in the unexpired term, a special election shall

be held in conjunction with the school district general election. The appointed person shall serve until the qualification of the successor elected to fill the unexpired part of the term at that special election. If the vacancy occurs fewer than 21 days before the first day to file affidavits of candidacy for the school district general election, or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve the remainder of the unexpired term and until a successor is elected and qualifies at the school district election.

(b) When a vacancy is created by the removal of a board member pursuant to subdivision 9, the vacancy must be filled in the manner described in paragraph (a) except that a special election must be held to fill the vacancy if more than one year remains on the unexpired term.

(c) An appointment made under paragraph (a) shall not be effective if a petition to reject the appointee is filed with the school district clerk. To be valid, a petition to reject an appointee must be signed by a number of eligible voters residing in the district equal to at least five percent of the total number of voters voting in the district at the most recent state general election, and must be filed within 30 days of the board's adoption of the resolution making the appointment. If a valid petition is filed according to the requirements of this paragraph, the appointment by the school board is ineffective and the board must name a new appointee as provided in paragraph (a).

Sec. 2. **REPEALER.**

Minnesota Statutes 2015 Supplement, sections 123B.09, subdivision 5a; and 123B.095, are repealed.

Sec. 3. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 3  
APPOINTMENT OF COUNTY OFFICERS

Section 1. Minnesota Statutes 2014, section 375.08, is amended to read:

**375.08 BOARD TO FILL VACANCIES IN COUNTY OFFICES.**

When a vacancy occurs in the office of an elected county auditor, county treasurer, county recorder, sheriff, county attorney, county surveyor, or coroner, the county board shall fill it by appointment. For that purpose it shall meet at the usual place of meeting, upon one day's notice from the chair or clerk, which shall be served personally upon each member in the same manner as a district court summons. The person appointed shall give the bond and take the oath required by law, and serve the remainder of the term, and until a successor qualifies. When a vacancy occurs in an office that has a chief deputy or first assistant, the chief deputy or first assistant may perform all the duties and functions of the office until it is filled by appointment by the county board.

Sec. 2. Minnesota Statutes 2014, section 375A.10, subdivision 5, is amended to read:

Subd. 5. **Auditor-treasurer.** In any county exercising the option provided in subdivision 2, clause (c), the office shall be known thereafter as the office of auditor-treasurer, if the office is to remain elective. If the board chooses to make the office of auditor-treasurer elective, and not require a referendum, it must act with the concurrence of 80 percent of its members.

In the exercise of this option, the county board shall direct which of the offices of auditor or treasurer shall be terminated for the purpose of providing for the election to the single office of auditor-treasurer. The duties, functions and responsibilities which have been heretofore and which shall hereafter be required by statute to be

performed by the county auditor and the county treasurer shall be vested in and performed by the auditor-treasurer without diminishing, prohibiting or avoiding those specific duties required by statute to be performed by the county auditor and the county treasurer.

Nothing in this subdivision shall preclude the county from exercising the option to make the combined office of auditor-treasurer appointive as if it had been specifically enumerated in subdivision 2. If the combined office is to be appointive, a referendum under section 375A.12 shall be necessary, except as provided by section 375A.1205.

If the combined office is to be elective, a referendum under section 375A.12 shall be necessary if:

(a) the county board requires a referendum; or

(b) a referendum is required by a petition of a number of voters equal to ten percent of those voting in the county at the last general election that is received by the county auditor within 30 days after the second publication of the board resolution that orders the combination.

The persons last elected to the positions of auditor and treasurer before adoption of the resolution shall serve in those offices and perform the duties of those offices until the completion of the terms to which they were elected.

Sec. 3. Minnesota Statutes 2014, section 375A.12, subdivision 2, is amended to read:

Subd. 2. **Form of government options.** Except as provided in section 375A.1205 or by special law, the options provided in sections 375A.01 to 375A.10 shall be adopted in any county only after an affirmative vote of the voters in the county on the question of the adoption of the option. Except as provided in section 375A.01, only one such plan may be submitted at any one election.

Sec. 4. **[375A.1205] APPOINTING COUNTY OFFICERS.**

Subdivision 1. **Authority to appoint certain officers.** A county board may appoint the county auditor, county treasurer, or county recorder, under section 375A.10, subdivision 2, or the auditor-treasurer under section 375A.10, subdivision 5, by following the process outlined in this section. Notwithstanding section 375A.12, a referendum is not required if the appointment is made pursuant to this section. A county board shall only use the authority to appoint under the following circumstances:

(1) there is a vacancy in the office, due to resignation or death; or

(2) there is a signed contract with the county board and the incumbent auditor, treasurer, auditor-treasurer, or recorder which provides that the incumbent officer will be appointed to the position and retain tenure, pay, and benefits equal to or greater than length of service.

Subd. 2. **Responsibility of county officer.** At least 104 days prior to the filing date for office under section 204B.09, an elected county officer must notify the county board in writing whether he or she will be filing for another term. If the current county officer indicates in writing they will not file for the office and the county board has passed a resolution under subdivision 6, affidavits of candidacy will not be accepted for that office, and the office will not be placed on the ballot.

Subd. 3. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners and subject to subdivisions 5 and 6, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

**Subd. 4. Discharge or demotion.** (a) A county auditor, county treasurer, county auditor-treasurer, or county recorder who was elected at the most recent election for that office prior to a county board resolution to make the office appointed, and is appointed by the county board to the office, may not be involuntarily demoted or discharged except for incompetency or misconduct.

(b) Prior to demoting or discharging an office holder under this subdivision, the board must notify the office holder in writing and state its grounds for the proposed demotion or discharge in reasonable detail. Within ten days after receipt of this notification, the office holder may make a written request for a hearing before an arbitrator and it shall be granted before final action is taken. Failure to request a hearing before an arbitrator during this period is considered acquiescence to the board's action. The board may suspend an office holder with pay pending the conclusion of the hearing and determination of the issues raised in the hearing after charges have been filed which constitute grounds for demotion or discharge. If an office holder has been charged with a felony and the underlying conduct that is the subject of the felony charge is a ground for a proposed discharge, the suspension pending the conclusion of the hearing and determination of the issues may be without pay. If a hearing under this subdivision is held, the board must reimburse the office holder for any salary or compensation withheld if the final decision of the arbitrator does not result in a penalty or discharge of the office holder.

(c) If the office holder and the board are unable to mutually agree on an arbitrator, the board must request from the Bureau of Mediation Services a list of seven persons qualified to serve as an arbitrator. If the office holder and the board are unable to mutually agree on an arbitrator from the list provided, the parties shall alternately strike names from the list until the name of one arbitrator remains. The person remaining after the striking procedure must be the arbitrator. If the parties are unable to agree on who shall strike the first name, the question must be decided by a flip of a coin. The office holder and the board must share equally the costs and fees of the arbitrator except as set forth in paragraph (g).

(d) The arbitrator shall determine, by a preponderance of the evidence, whether the grounds for discharge or demotion exist to support the proposed discharge or demotion. A lesser penalty than demotion or discharge may be imposed by the arbitrator only to the extent that either party proposes such lesser penalty in the proceeding. In making the determination, the arbitration proceeding is governed by sections 572B.15 to 572B.28.

(e) An arbitration hearing conducted under this subdivision is a meeting for preliminary consideration of allegations or charges within the meaning of section 13D.05, subdivision 3, paragraph (a), and must be closed, unless the office holder requests it to be open.

(f) The arbitrator's award is final and binding on the parties, subject to sections 572B.18 to 572B.28.

(g) In the event the arbitrator rules not to demote or discharge the office holder, the board shall pay all of the costs and fees of the arbitrator and the attorney fees of the office holder.

**Subd. 5. Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected, or until a vacancy occurs in the office, whichever occurs earlier.

**Subd. 6. Publishing resolution; petition, referendum.** (a) Before the adoption of the resolution to provide for the appointment of an office as described in subdivision 1, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week, for two consecutive weeks, in the official publication of the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment opportunity, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the office or offices as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 30 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Except when an office is made appointive under subdivision 1, clause (2), within 30 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the county board resolution is rescinded.

Subd. 7. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week, for two consecutive weeks, in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment opportunity, at the same meeting or a subsequent meeting, the county board of commissioners may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if (1) the position has been an appointed position for at least three years; (2) a petition signed by at least ten percent of the registered voters of the county is filed with the office of the county auditor by August 1 of the year in which the general election is held; and (3) the petition meets the requirements of the secretary of state, as provided in section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for that office must be held at the next regular or special election.

Sec. 5. Minnesota Statutes 2014, section 382.01, is amended to read:

### **382.01 OFFICERS ELECTED; TERMS.**

In every county in this state there shall be elected at the general election in 1918 a county auditor, a county treasurer, sheriff, county recorder, county attorney, and coroner.

The terms of office of these officers shall be four years and shall begin on the first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. Each of these offices shall must be filled by election every four years thereafter, unless an office is consolidated with another county officer or made appointive under chapter 375A or other general or special law.

Sec. 6. Minnesota Statutes 2014, section 382.02, is amended to read:

### **382.02 VACANCIES, HOW FILLED.**

Any appointment made to fill a vacancy in any of the offices named in section 382.01 that has not been made appointive under chapter 375A or other general or special law shall be for the balance of such entire term, and be made by the county board."

Delete the title and insert:

"A bill for an act relating to elections; modifying provisions related to elections and election administration; modifying the timeline for when a special election is required to fill a vacancy on a school board; authorizing the appointment of specified county offices; making technical changes; amending Minnesota Statutes 2014, sections 123B.09, by adding a subdivision; 202A.13; 204B.04, by adding a subdivision; 204B.14, subdivision 7; 204B.146, subdivision 3; 204B.18, subdivision 1; 204C.07, subdivision 3; 204C.37; 204C.39, subdivision 4; 204D.22,

subdivision 2; 205.065, subdivision 4; 205.10, subdivision 6; 205A.03, subdivision 3; 205A.05, subdivision 2; 205A.06, subdivision 1; 205A.11, subdivision 2a; 209.021, subdivision 1; 375.08; 375A.10, subdivision 5; 375A.12, subdivision 2; 382.01; 382.02; Minnesota Statutes 2015 Supplement, sections 203B.17, subdivision 1; 204B.45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 375A; repealing Minnesota Statutes 2015 Supplement, sections 123B.09, subdivision 5a; 123B.095."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Kelly from the Committee on Transportation Policy and Finance to which was referred:

H. F. No. 2690, A bill for an act relating to impaired driving; requiring ignition interlock for repeat offenders to reinstate driving privileges; limiting ignition interlock program to alcohol-related offenses; amending Minnesota Statutes 2014, sections 169A.55, subdivision 4; 171.30, subdivisions 1, 2a; 171.306, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 21, delete "2016" and insert "2017"

Page 4, line 34, delete "2016" and insert "2017"

Page 5, line 25, delete "2016" and insert "2017"

Page 6, line 12, delete "2016" and insert "2017"

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

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 2810, A bill for an act relating to public safety; modifying public safety officer death benefits; adopting definitions of the hometown heroes act; amending Minnesota Statutes 2014, sections 299A.41, subdivision 3; 353.01, subdivision 43.

Reported the same back with the recommendation that the bill be re-referred to the Committee on State Government Finance.

The report was adopted.

McNamara from the Committee on Environment and Natural Resources Policy and Finance to which was referred:

H. F. No. 2844, A bill for an act relating to natural resources; modifying off-road vehicle provisions; providing for David Dill memorial trail; modifying disposition of certain receipts; modifying report requirements; modifying game and fish penalty and enforcement provisions; modifying fees and requirements to take game and fish;

modifying commissioner's duties; providing for elk management; requiring rulemaking; providing criminal penalties; appropriating money; amending Minnesota Statutes 2014, sections 3.7371, by adding a subdivision; 16C.135, by adding a subdivision; 84.798, subdivision 2; 84.8035; 85.015, subdivision 13; 97A.045, subdivision 7; 97A.055, subdivision 4; 97A.075, subdivision 1; 97A.201, by adding a subdivision; 97A.301, subdivision 1; 97A.338; 97A.405, subdivision 2; 97A.421, subdivision 2a; 97A.451, subdivision 6; 97A.473, subdivisions 3, 5, 5a; 97A.474, subdivision 3; 97A.475, subdivisions 2, 3; 97B.035, subdivision 1; 97B.071; 97B.086; 97B.305; 97B.516; 97B.731, subdivision 3; 97B.811, subdivision 4a; 97C.401, subdivision 2; Minnesota Statutes 2015 Supplement, sections 97B.041; 97B.063; proposing coding for new law in Minnesota Statutes, chapters 97B; 97C; repealing Minnesota Statutes 2014, section 97A.075, subdivision 5.

Reported the same back with the following amendments:

Page 7, delete section 12 and insert:

"Sec. 12. Minnesota Statutes 2014, section 97A.405, subdivision 2, is amended to read:

Subd. 2. **Personal possession.** (a) A person acting under a license or traveling from an area where a licensed activity was performed must have in personal possession ~~either~~: (1) the proper license, if the license has been issued to and received by the person; (2) a driver's license or Minnesota identification card issued under section 171.07, subdivision 19, that has a valid written designation of the proper lifetime license; or ~~(2) (3)~~ (3) the proper license identification number or stamp validation, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

(b) If possession of a license or a license identification number is required, a person must exhibit, as requested by a conservation officer or peace officer, ~~either~~: (1) the proper license if the license has been issued to and received by the person; (2) a driver's license or Minnesota identification card issued under section 171.07, subdivision 19, that has a valid written designation of the proper lifetime license; or ~~(2) (3)~~ (3) the proper license identification number or stamp validation and a valid state driver's license, state identification card, or other form of identification provided by the commissioner, if the license has been sold to the person by electronic means but the actual license has not been issued and received. A person charged with violating the license possession requirement shall not be convicted if the person produces in court or the office of the arresting officer, the actual license previously issued to that person, which was valid at the time of arrest, or satisfactory proof that at the time of the arrest the person was validly licensed. Upon request of a conservation officer or peace officer, a licensee shall write the licensee's name in the presence of the officer to determine the identity of the licensee.

(c) Except as provided in paragraph (a), clause (2), if the actual license has been issued and received, a receipt for license fees, a copy of a license, or evidence showing the issuance of a license, including the license identification number or stamp validation, does not entitle a licensee to exercise the rights or privileges conferred by a license.

(d) A license issued electronically and not immediately provided to the licensee shall be mailed to the licensee within 30 days of purchase of the license. A pictorial migratory waterfowl, pheasant, trout and salmon, or walleye stamp shall be provided to the licensee after purchase of a stamp validation only if the licensee pays an additional fee that covers the costs of producing and mailing a pictorial stamp. ~~A pictorial turkey stamp may be purchased for a fee that covers the costs of producing and mailing the pictorial stamp.~~ Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for providing the pictorial stamps. The fees must be set in an amount that does not recover significantly more or less than the cost of producing and mailing the stamps. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

**EFFECTIVE DATE.** This section is effective January 1, 2018, or when the Minnesota licensing and registration system is ready, whichever is later."

Page 17, after line 28, insert:

"Sec. 34. Minnesota Statutes 2014, section 171.07, is amended by adding a subdivision to read:

Subd. 19. **Resident lifetime game and fish license.** (a) The department shall maintain in its records information transmitted electronically from the commissioner of natural resources identifying each person to whom the commissioner has issued a resident lifetime license under section 97A.473. The records transmitted from the Department of Natural Resources must contain:

(1) the full name and date of birth as required for the driver's license or identification card;

(2) the category of lifetime license issued under section 97A.473; and

(3) the Department of Natural Resources lifetime license number.

Records that are not matched to a driver's license or identification card record may be deleted after seven years.

(b) After receiving information under paragraph (a) that a person has received a lifetime license, the department shall include, on all drivers' licenses or Minnesota identification cards subsequently issued to the person, a written designation that the person has a lifetime license, the category of the lifetime license issued, and the Department of Natural Resources lifetime license number.

(c) If a person who has received a lifetime license under section 97A.473 applies for a driver's license or Minnesota identification card before that information has been transmitted to the department, the department may accept a copy of the license issued under section 97A.473 as proof of its issuance and shall then follow the procedures in paragraph (b).

**EFFECTIVE DATE.** This section is effective January 1, 2018, or when the Minnesota licensing and registration system is ready, whichever is later."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the second semicolon, insert "authorizing lifetime game and fish license information to be placed on driver's license or Minnesota identification card;"

Correct the title numbers accordingly

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

The report was adopted.

Torkelson from the Committee on Capital Investment to which was referred:

H. F. No. 2970, A bill for an act relating to capital investment; establishing a debt limit; amending Minnesota Statutes 2014, section 16A.105.

Reported the same back with the following amendments:

Page 2, delete lines 6 to 8 and insert:

"(c) For each forecast under subdivision 1, the commissioner shall determine the maximum amount of new debt that may be issued so that payment due on all outstanding debt is no more than 3.5 percent of the estimated nondedicated general fund revenue received by the state for the same time periods. The debt limit in this subdivision may only be used to limit authorization and issuance of new debt after the forecast that indicates the limit will be exceeded and does not require either reduction in previously authorized debt or cancellation of appropriations."

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

The report was adopted.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 3045, A bill for an act relating to health; modifying provisions for health care quality of care and complaint investigation process; requiring a report; amending Minnesota Statutes 2014, section 62D.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62D.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

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

H. F. No. 3067, A bill for an act relating to transportation; modifying various provisions administered by and governing the activities of the Department of Transportation; removing a legislative route; amending Minnesota Statutes 2014, sections 161.081, subdivision 3; 165.14, subdivision 6; 171.12, subdivision 6; 174.185; Laws 2014, chapter 312, article 11, sections 10; 11; 13; 16; 18.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 3142, A bill for an act relating to health; amending provisions for the statewide trauma system, home care, hearing instrument dispensers, and food, beverage, and lodging establishments; amending Minnesota Statutes 2014, sections 144.605, subdivision 5; 144.608, subdivision 1; 144A.473, subdivision 2; 144A.475, subdivisions 3, 3b, by adding a subdivision; 144A.4792, subdivision 13; 144A.4799, subdivision 1; 144A.482; 153A.14, subdivisions 2d, 2h; 153A.15, subdivision 2a; 157.15, subdivision 14; 157.16, subdivision 4.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

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

H. F. No. 3187, A bill for an act relating to consumer protection; requiring security freezes on credit reports regarding minors; amending Minnesota Statutes 2014, section 13C.016, subdivisions 2, 8.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Civil Law and Data Practices.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 8, H. F. No. 3187 was re-referred to the Committee on Rules and Legislative Administration.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 3199, A bill for an act relating to human services; modifying the office of ombudsman for long-term care, mental health treatment services, and miscellaneous policy provisions; amending Minnesota Statutes 2014, sections 245.462, subdivision 18; 245.4871, subdivision 27; 245A.11, subdivision 2a; 256.974; 256.9741, subdivision 5, by adding subdivisions; 256.9742; 256B.0615, subdivisions 1, 2; 256B.0622, as amended; 256B.0947, subdivision 2; Minnesota Statutes 2015 Supplement, sections 256.01, subdivision 12a; 256B.0911, subdivision 3a; 256I.04, subdivision 2a; 402A.18, subdivision 3.

Reported the same back with the following amendments:

Page 45, line 25, delete "acton" and insert "action"

Page 47, after line 8, insert:

"ARTICLE 4  
MINNESOTA ELIGIBILITY SYSTEM EXECUTIVE STEERING COMMITTEE

Section 1. Minnesota Statutes 2015 Supplement, section 62V.03, subdivision 2, is amended to read:

Subd. 2. **Application of other law.** (a) MNsure must be reviewed by the legislative auditor under section 3.971. The legislative auditor shall audit the books, accounts, and affairs of MNsure once each year or less frequently as the legislative auditor's funds and personnel permit. Upon the audit of the financial accounts and affairs of MNsure, MNsure is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill MNsure either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund and are appropriated to the legislative auditor. Pursuant to section 3.97, subdivision 3a, the Legislative Audit Commission is requested to direct the legislative auditor to report by March 1, 2014, to the legislature on any duplication of services that occurs within state government as a result of the creation of MNsure. The legislative auditor may make recommendations on consolidating or eliminating any services deemed duplicative. The board shall reimburse the legislative auditor for any costs incurred in the creation of this report.

(b) Board members of MNsure are subject to sections 10A.07 and 10A.09. Board members and the personnel of MNsure are subject to section 10A.071.

(c) All meetings of the board and of the Minnesota Eligibility System Executive Steering Committee established under section 62V.055 shall comply with the open meeting law in chapter 13D.

(d) The board and the Web site are exempt from chapter 60K. Any employee of MNsure who sells, solicits, or negotiates insurance to individuals or small employers must be licensed as an insurance producer under chapter 60K.

(e) Section 3.3005 applies to any federal funds received by MNsure.

(f) A MNsure decision that requires a vote of the board, other than a decision that applies only to hiring of employees or other internal management of MNsure, is an "administrative action" under section 10A.01, subdivision 2.

Sec. 2. Minnesota Statutes 2014, section 62V.04, subdivision 2, is amended to read:

Subd. 2. **Appointment.** (a) Board membership of MNsure consists of the following:

(1) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d), with one member representing the interests of individual consumers eligible for individual market coverage, one member representing individual consumers eligible for public health care program coverage, and one member representing small employers. Members are appointed to serve four-year terms following the initial staggered-term lot determination;

(2) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d) who have demonstrated expertise, leadership, and innovation in the following areas: one member representing the areas of health administration, health care finance, health plan purchasing, and health care delivery systems; one member representing the areas of public health, health disparities, public health care programs, and the uninsured; and one member representing health policy issues related to the small group and individual markets. Members are appointed to serve four-year terms following the initial staggered-term lot determination; and

~~(3) the commissioner of human services or a designee~~ one member representing the interests of the general public, appointed by the governor with the advice and consent of both the senate and the house of representatives acting in accordance with paragraph (d). A member appointed under this clause shall serve a four-year term.

(b) Section 15.0597 shall apply to all appointments, ~~except for the commissioner.~~

(c) The governor shall make appointments to the board that are consistent with federal law and regulations regarding its composition and structure. All board members appointed by the governor must be legal residents of Minnesota.

(d) Upon appointment by the governor, a board member shall exercise duties of office immediately. If both the house of representatives and the senate vote not to confirm an appointment, the appointment terminates on the day following the vote not to confirm in the second body to vote.

(e) Initial appointments shall be made by April 30, 2013.

(f) One of the six members appointed under paragraph (a), clause (1) or (2), must have experience in representing the needs of vulnerable populations and persons with disabilities.

(g) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Sec. 3. Minnesota Statutes 2014, section 62V.04, subdivision 3, is amended to read:

Subd. 3. **Terms.** (a) Board members may serve no more than two consecutive terms, ~~except for the commissioner or the commissioner's designee, who shall serve until replaced by the governor.~~

(b) A board member may resign at any time by giving written notice to the board.

(c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2), shall have an initial term of two, three, or four years, determined by lot by the secretary of state.

Sec. 4. Minnesota Statutes 2014, section 62V.04, subdivision 4, is amended to read:

Subd. 4. **Conflicts of interest.** (a) Within one year prior to or at any time during their appointed term, board members appointed under subdivision 2, paragraph (a), ~~clauses (1) and (2),~~ shall not be employed by, be a member of the board of directors of, or otherwise be a representative of a health carrier, institutional health care provider or other entity providing health care, navigator, insurance producer, or other entity in the business of selling items or services of significant value to or through MNsure. For purposes of this paragraph, "health care provider or entity" does not include an academic institution.

(b) Board members must recuse themselves from discussion of and voting on an official matter if the board member has a conflict of interest. A conflict of interest means an association including a financial or personal association that has the potential to bias or have the appearance of biasing a board member's decisions in matters related to MNsure or the conduct of activities under this chapter.

(c) No board member shall have a spouse who is an executive of a health carrier.

(d) No member of the board may currently serve as a lobbyist, as defined under section 10A.01, subdivision 21.

Sec. 5. **[62V.055] MINNESOTA ELIGIBILITY SYSTEM EXECUTIVE STEERING COMMITTEE.**

Subdivision 1. **Definition; Minnesota eligibility system.** For purposes of this section, "Minnesota eligibility system" means the system that supports eligibility determinations using a modified adjusted gross income methodology for medical assistance under section 256B.056, subdivision 1a, paragraph (b), clause (1); MinnesotaCare under chapter 256L; and qualified health plan enrollment under section 62V.05, subdivision 5, paragraph (c).

Subd. 2. **Establishment; committee membership.** A Minnesota Eligibility System Executive Steering Committee is established to govern and administer the Minnesota eligibility system. The steering committee shall be composed of one member appointed by the commissioner of human services, one member appointed by the board, one member appointed jointly by the Association of Minnesota Counties and the Minnesota Inter-County Association, and one nonvoting member appointed by the commissioner of MN.IT services who shall serve as the committee chairperson. Steering committee costs must be paid from the budgets of the Department of Human Services, the Office of MN.IT Services, and MNsure.

Subd. 3. **Duties.** (a) The Minnesota Eligibility System Executive Steering Committee shall establish an overall governance structure for the Minnesota eligibility system and shall be responsible for the overall governance of the system, including setting system goals and priorities, allocating the system's resources, making major system decisions, and tracking total funding and expenditures for the system from all sources. The steering committee shall also report to the Legislative Oversight Committee on a quarterly basis on Minnesota eligibility system funding and expenditures, including amounts received in the most recent quarter by funding source and expenditures made in the most recent quarter by funding source.

(b) The steering committee shall adopt bylaws, policies, and interagency agreements necessary to administer the Minnesota eligibility system.

(c) In making decisions, the steering committee shall give particular attention to the parts of the system with the largest enrollments and the greatest risks.

Subd. 4. **Meetings.** (a) All meetings of the steering committee must:

(1) be held in the State Office Building; and

(2) whenever possible, be available on the legislature's Web site for live streaming and downloading over the Internet.

(b) The steering committee must:

(1) as part of every steering committee meeting, provide the opportunity for oral and written public testimony and comments on steering committee governance of the Minnesota eligibility system; and

(2) provide documents under discussion or review by the steering committee to be electronically posted on the legislature's Web site. Documents must be provided and posted prior to the meeting at which the documents are scheduled for review or discussion.

(c) All votes of the steering committee must be recorded, with each member's vote identified.

Subd. 5. **Administrative structure.** The Office of MN.IT Services shall be responsible for the design, build, maintenance, operation, and upgrade of the information technology for the Minnesota eligibility system. The office shall carry out its responsibilities under the governance of the steering committee, this section, and chapter 16E.

Sec. 6. Minnesota Statutes 2014, section 62V.11, is amended by adding a subdivision to read:

Subd. 5. **Review of Minnesota eligibility system funding and expenditures.** The committee shall review quarterly reports submitted by the Minnesota Eligibility System Executive Steering Committee under section 62V.055, subdivision 3, regarding Minnesota eligibility system funding and expenditures."

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3211, A bill for an act relating to pari-mutuel horse racing; authorizing advance deposit wagering; providing for horse-racing revenue; appropriating money; amending Minnesota Statutes 2014, sections 240.08, subdivision 1; 240.13, subdivision 4; 240.15, subdivision 2; 240.25, subdivision 1; Minnesota Statutes 2015 Supplement, sections 240.01, by adding subdivisions; 240.08, subdivision 2; 240.10; 240.15, subdivisions 1, 6; 240.22; proposing coding for new law in Minnesota Statutes, chapter 240.

Reported the same back with the following amendments:

Page 4, delete lines 26 and 27 and insert:

"(c) The initial annual license application fee for a class C license to provide advance deposit wagering on horse racing under this chapter is \$10,000 and an annual license fee of \$2,500 applies thereafter."

Page 5, line 33, delete "post and" and insert "demonstrate evidence of financial responsibility in a format prescribed by the commission through a surety bond executed and issued by an insurer authorized to issue surety bonds in this state in the principal amount of \$1,000,000. The commission shall accept, as evidence of financial responsibility, that a surety bond in accordance with this subdivision has been filed with one or more states where the applicant is licensed as an advance deposit wagering provider. The commission may ask for evidence of financial responsibility at any time the commission deems necessary. Any surety bond issued under this subdivision shall be in favor of this state and shall specifically authorize recovery by the commission"

Page 5, delete line 34

Page 5, line 35, delete "as surety"

Page 6, line 26, delete everything after the period

Page 6, delete line 27

Page 8, line 4, delete everything after "the" and insert "expedited process in section 14.389."

Page 8, delete line 5

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

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3213, A bill for an act relating to state government; prohibiting an agency from procuring supplies or services from persons that fail to disclose as required by federal law information relating to conflict minerals originating in the Democratic Republic of the Congo or its neighboring countries; requiring an agency to provide notice of the prohibition in any solicitation for supplies or services; proposing coding for new law in Minnesota Statutes, chapter 16C.

Reported the same back with the recommendation that the bill be re-referred to the Committee on State Government Finance.

The report was adopted.

Mack from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 3235, A bill for an act relating to human services; increasing the medical assistance payment rates for emergency ambulance services; amending Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 17a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 17a, is amended to read:

Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers ambulance services. Providers shall bill ambulance services according to Medicare criteria. Nonemergency ambulance services shall not be paid as emergencies. Effective for services rendered on or after July 1, 2001, medical assistance payments for ambulance services shall be paid at the Medicare reimbursement rate or at the medical assistance payment rate in effect on July 1, 2000, whichever is greater.

(b) Effective for services provided on or after July 1, 2016, medical assistance payment rates for ambulance services identified in this paragraph are increased by five percent. Capitation payments made to managed care plans and county-based purchasing plans for ambulance services provided on or after January 1, 2017, shall be adjusted to reflect this rate increase. The increased rate described in this paragraph applies to:

(1) an ambulance service provider whose base of operations, as defined in section 144E.10, is located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

(2) an ambulance service provider whose base of operations, as defined in section 144E.10, is located within a municipality with a population of less than 1,000.

Sec. 2. **APPROPRIATION.**

\$70,000 in fiscal year 2016 and \$55,000 in fiscal year 2017 are appropriated from the general fund to the Emergency Medical Services Regulatory Board. Of these appropriations:

(1) \$34,000 in fiscal year 2016 and \$34,000 in fiscal year 2017 are for annual support, maintenance, and hosting of the comprehensive electronic licensing and agency operations software solution;

(2) \$21,000 in fiscal year 2016 and \$21,000 in fiscal year 2017 are for annual support, maintenance, and housing of the MNSTAR prehospital patient care report database; and

(3) \$15,000 in fiscal year 2016 is for the board to purchase four 800 megahertz handheld radios to be used by field staff to meet board responsibilities for emergency communications during a regional or statewide emergency.

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

Amend the title as follows:

Page 1, line 2, delete "the"

Page 1, line 3, delete "emergency" and insert "certain" and after the semicolon, insert "appropriating money to the Emergency Medical Services Regulatory Board;"

With the recommendation that when so amended the bill be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

Mack from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 3305, A bill for an act relating to human services; requiring training for child foster care providers; amending Minnesota Statutes 2015 Supplement, section 245A.175.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2015 Supplement, section 245A.175, is amended to read:

**245A.175 MENTAL HEALTH CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.**

Prior to a nonemergency placement of a child in a foster care home, the child foster care license holder and caregivers in foster family and treatment foster care settings, and all staff providing care in foster residence settings must complete two hours of training that addresses the causes, symptoms, and key warning signs of mental health disorders; cultural considerations; and effective approaches for dealing with a child's behaviors. At least one hour of the annual training requirement for the foster family license holder and caregivers, and foster residence staff must be on children's mental health issues and treatment. The annual training must also include one hour of training on fetal alcohol spectrum disorders within the first 12 months of licensure. After the first 12 months of licensure, training on fetal alcohol spectrum disorders may count toward the 12 hours of required in-service training per year. Short-term substitute caregivers are exempt from these requirements. Training curriculum shall be approved by the commissioner of human services."

With the recommendation that when so amended the bill be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3363, A bill for an act relating to agriculture; establishing a good food access program to provide financial and technical assistance to increase access to affordable foods; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Page 4, line 21, before "cultural" insert "the Minnesota Grocers Association, Second Harvest Heartland,"

With the recommendation that when so amended the bill be re-referred to the Committee on Agriculture Finance.

The report was adopted.

Scott from the Committee on Civil Law and Data Practices to which was referred:

H. F. No. 3370, A bill for an act relating to public safety; requiring written statement for change of information by registered predatory offenders; authorizing access to registration data by child protection workers for determination of child residence with predatory offender; amending Minnesota Statutes 2014, sections 243.166, subdivision 7, by adding a subdivision; 299C.093.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Garofalo from the Committee on Job Growth and Energy Affordability Policy and Finance to which was referred:

H. F. No. 3377, A bill for an act relating to housing; establishing a workforce and affordable homeownership development program; requiring reports; appropriating a portion of proceeds of the mortgage registry tax and the deed tax to the Minnesota Housing Finance Agency to be used for creation of workforce and affordable ownership housing; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Taxes.

The report was adopted.

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 3419, A bill for an act relating to health; establishing a grant program for screening and treatment for maternal depression; establishing pilot projects to provide treatment for pregnant and postpartum women with substance use disorders; proposing coding for new law in Minnesota Statutes, chapters 145; 254B.

Reported the same back with the following amendments:

Page 1, line 8, delete "MATERNAL DEPRESSION" and insert "PRE- AND POSTPARTUM MOOD AND ANXIETY DISORDERS"

Page 1, line 10, after "available" insert "specifically"

Page 1, lines 12, 15, and 25, delete "maternal depression" and insert "pre- and postpartum mood and anxiety disorders"

Page 1, line 21, delete "maternal depression"

Page 1, line 22, after "resources" insert "for pre- and postpartum mood and anxiety disorders"

Page 2, line 3, delete "maternal depression" and insert "pre- and postpartum mood and anxiety disorders"

Page 2, line 10, after "available" insert "specifically"

Amend the title as follows:

Page 1, line 3, delete "maternal depression" and insert "pre- and postpartum mood and anxiety disorders"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3423, A bill for an act relating to public safety; providing for an advisory group on statewide criminal and juvenile justice information policy and funding issues; amending Minnesota Statutes 2014, section 299C.65.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 3436, A bill for an act relating to human services; creating a legislative task force on child care; requiring the commissioner to prepare a report to the governor.

Reported the same back with the following amendments:

Page 2, line 9, delete the second "and"

Page 2, line 11, delete the period and insert "; and"

Page 2, after line 11, insert:

"(10) consider options for conducting exit interviews with providers who leave the child care field or choose not to be relicensed."

Amend the title as follows:

Page 1, delete line 3 and insert "requiring a report to the legislature and governor."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Garofalo from the Committee on Job Growth and Energy Affordability Policy and Finance to which was referred:

H. F. No. 3458, A bill for an act relating to outdoor recreation; economic development; establishing a Lake Mille Lacs area economic relief program; authorizing special property tax abatement aid; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **LAKE MILLE LACS AREA ECONOMIC RELIEF PROGRAM.**

**Subdivision 1. Relief program established.** Mille Lacs County must develop and operate a Lake Mille Lacs area economic relief program to assist businesses adversely affected by a decline in walleye fishing on Lake Mille Lacs.

**Subd. 2. Available relief.** (a) The economic relief program established under this section may include:

(1) grants;

(2) interest-free or forgivable loans, if they do not exceed \$100,000 per business per year; or

(3) tourism promotion.

(b) For the economic relief program established under this section, Mille Lacs County may establish grant and loan application requirements, duration and terms, and repayment requirements.

(c) Mille Lacs County must make grant and loan approval decisions according to criteria and procedures established by the county in consultation with the commissioner of employment and economic development.

**Subd. 3. Qualification requirements.** To qualify for assistance under this section, a business must:

(1) be located within one of the following cities and townships surrounding Lake Mille Lacs:

(i) in Crow Wing County, the city of Garrison, township of Garrison, or township of Roosevelt;

(ii) in Aitkin County, the township of Hazelton, township of Wealthwood, township of Malmo, or township of Lakeside; or

(iii) in Mille Lacs County, the city of Isle, city of Wahkon, city of Onamia, township of East Side, township of Isle Harbor, township of South Harbor, or township of Kathio;

(2) document a reduction in gross receipts in any two-year period since 2010; and

(3) be a business in one of the following industries, as defined within the North American Industry Classification System: accommodation, restaurants, bars, amusement and recreation, food and beverages retail, sporting goods, miscellaneous retail, general retail, museums, historical sites, health and personal care, gas station, general merchandise, business and professional membership, movies, or nonstore retailer, as determined by Mille Lacs County in consultation with the commissioner of employment and economic development.

**Subd. 4. Audit.** The commissioner of employment and economic development must audit Mille Lacs County's compliance with the provisions of this section, and Mille Lacs County must comply with all requests made by the commissioner under this subdivision.

**EFFECTIVE DATE.** This section is effective July 1, 2016, and expires June 30, 2017.

Sec. 2. **LAKE MILLE LACS AREA PROPERTY TAX ABATEMENT.**

**Subdivision 1. Abatements authorized.** (a) Notwithstanding Minnesota Statutes, section 375.192, the county boards of Aitkin, Crow Wing, and Mille Lacs Counties may grant an abatement of net tax for taxes payable in 2016 provided that:

(1) the property is classified as 1c, 3a (excluding utility real and personal property), 4c(1), 4c(10), or 4c(11);

(2) on or before December 31, 2016, the taxpayer submits a written application to the county assessor in the county in which abatement is sought; and

(3) the taxpayer meets qualification requirements established in section 1, subdivision 3.

(b) If an application for abatement is made under this section after payment of all or a portion of the taxes being abated, the portion already paid may be refunded to the taxpayer by the county as soon as practical.

(c) Notwithstanding the provisions of Minnesota Statutes, section 276.112, a portion of the state general tax equal to the amount of tax abated by a county under this section is not required to be transmitted to the commissioner of revenue.

**Subd. 2. Appeals.** An appeal may not be taken to the Tax Court from any order of the county board made pursuant to the exercise of the discretionary authority granted in this section.

**Subd. 3. Audit.** The commissioner of revenue must audit a county granting abatements under this section for compliance with the provisions of this section, and a county must comply with all requests made by the commissioner under this subdivision.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2016 and expires for taxes payable in 2017 and thereafter, except that the prohibition on appeals in subdivision 2, and the auditing provision in subdivision 3, remain in effect through 2018.

Sec. 3. **STATE GENERAL LEVY IN ECONOMIC RELIEF AREA.**

**Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible property" means a property having a classification of class 1c, 3a (excluding utility real and personal property), 4c(1), 4c(10), or 4c(11) under Minnesota Statutes, section 273.13.

(c) "Economic relief area" means the area described under section 1, subdivision 3, clause (1).

(d) "State general levy" refers to the levy under Minnesota Statutes, section 275.025.

**Subd. 2. Refund of state general levy for taxes payable in 2016.** (a) Any eligible property that is located within the economic relief area is eligible for a refund of the state general levy levied upon it for taxes payable in 2016. A taxpayer eligible for a refund under this section must file an application with the county in which the eligible property is located on a form prescribed by the county. Applications must be filed on or before December 31, 2016, and refunds must be paid by the county within 30 days of receipt of application. Refunds must only be issued on behalf of properties whose state general levy for taxes payable in 2016 has been fully paid.

(b) Notwithstanding the provisions of Minnesota Statutes, section 276.112, any state general tax refunded under this section is not required to be transmitted to the commissioner of revenue.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2016 and expires for taxes payable in 2017 and thereafter.

Sec. 4. **APPROPRIATION; LAKE MILLE LACS AREA ECONOMIC RELIEF PROGRAM.**

\$5,000,000 in fiscal year 2017 is appropriated from the general fund to the commissioner of employment and economic development for a grant to Mille Lacs County to develop and operate the Lake Mille Lacs area economic relief program established in section 1. This is a onetime appropriation."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "authorizing state general levy refund;"

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes.

The report was adopted.

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

H. F. No. 3548, A bill for an act relating to transportation; amending certain regulations and penalties governing special transportation service providers; setting requirements for nonemergency medical transportation providers related to background studies; amending Minnesota Statutes 2014, section 174.30, subdivisions 1, 4a, 8, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 174.30, subdivisions 4, 10; 256B.0625, subdivision 17.

Reported the same back with the following amendments:

Page 6, line 8, delete everything after "(d)" and insert "An organization may be terminated, denied, or suspended from enrollment if:"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3551, A bill for an act relating to local government; authorizing Hennepin County to use job order contracting for certain construction projects; amending Minnesota Statutes 2014, section 383B.142; proposing coding for new law in Minnesota Statutes, chapter 383B.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3558, A bill for an act relating to local government; permitting city and town expenditures for city and town historical societies; amending Minnesota Statutes 2014, section 138.053.

Reported the same back with the recommendation that the bill be re-referred to the Committee on State Government Finance.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

H. F. No. 3685, A bill for an act relating to environment; modifying dry cleaner response and reimbursement account provisions; modifying prior appropriation; requiring rulemaking; amending Minnesota Statutes 2014, sections 115B.48, by adding a subdivision; 115B.50, subdivision 3, by adding a subdivision; Laws 2015, First Special Session chapter 4, article 3, section 2, subdivision 4; repealing Minnesota Statutes 2015 Supplement, section 115B.48, subdivision 9.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Mack from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 3721, A bill for an act relating to human services; correcting terminology relating to the Supplemental Nutrition Assistance Program.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Kelly from the Committee on Transportation Policy and Finance to which was referred:

H. F. No. 3723, A bill for an act relating to transportation; modifying permit requirements for temporary use of certain rights-of-way; amending Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10.

Reported the same back with the following amendments:

Page 1, line 8, before "field" insert "certain"

Page 1, line 20, strike "install" and insert "place"

Page 1, line 23, strike "installed" and insert "placed"

Page 1, after line 23, insert:

"Sec. 2. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

Subd. 11. **General authority for certain field application.** (a) A property owner or occupant of property may, with respect to a county highway, including a county state-aid highway, or town road, temporarily place a pressurized flexible force main for the transport of manure for field application if the following requirements are met:

(1) the road is not a controlled-access highway under section 160.08;

(2) the force main remains in place for no more than 21 days;

(3) the force main is placed within the backslope of the road right-of-way where possible, and is not placed on the roadway, as defined in section 169.011, subdivision 68;

(4) pumping equipment is placed outside the road right-of-way;

(5) the property owner or occupant notifies, whether verbally or in writing, the appropriate county or town at least one business day prior to placement of the force main in the right-of-way; and

(6) field application is performed by the holder of a valid commercial animal waste technician applicator license under section 18C.430.

(b) A notification under paragraph (a), clause (5), must include the starting and estimated ending dates of field application, a basic description of the entire length of the right-of-way being used, and the name of the business or commercial animal waste technician applicator license holder performing field application.

(c) A property owner or occupant who meets the requirements under paragraphs (a) and (b) may place the force main over the length of the right-of-way from that property owner's or occupant's property to where the manure will be applied, irrespective of whether the person is the owner or occupant of all property abutting the portion of the right-of-way where the force main is to be placed.

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

Amend the title as follows:

Page 1, line 2, delete "permit"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

McNamara from the Committee on Environment and Natural Resources Policy and Finance to which was referred:

H. F. No. 3783, A bill for an act relating to environment; providing for expedited environmental review billing option; appropriating money; amending Minnesota Statutes 2015 Supplement, section 116.07, subdivision 4d.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2015 Supplement, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. **Permit fees.** (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of developing, reviewing, and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The fee schedule must reflect reasonable and routine direct and indirect costs associated with permitting, implementation, and enforcement. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the environmental fund.

(b) Notwithstanding paragraph (a), the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to a notification, permit, or license requirement under this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. The annual fee shall be used to pay for all direct and indirect reasonable costs, including legal costs, required to develop and administer the notification, permit, or license program requirements of this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; and providing information to the public about these activities.

(c) The agency shall set fees that:

(1) will result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated;

(2) may result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (1) that is regulated under this chapter or air quality rules adopted under this chapter; and

(3) shall collect, in the aggregate, from the sources listed in paragraph (b), the amount needed to match grant funds received by the state under United States Code, title 42, section 7405 (section 105 of the federal Clean Air Act).

The agency must not include in the calculation of the aggregate amount to be collected under clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant from a source. The increase in air permit fees to match federal grant funds shall be a surcharge on existing fees. The commissioner may not collect the surcharge after the grant funds become unavailable. In addition, the commissioner shall use nonfee funds to the extent practical to match the grant funds so that the fee surcharge is minimized.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) ~~Permit applicants~~ Project proposers who wish to construct, reconstruct, or modify a ~~facility~~ project may offer to reimburse the agency for the reasonable costs ~~of staff time or consultant services~~ needed to expedite the preapplication process and permit development process through the final decision on the permit, including the analysis of environmental review documents. The reimbursement shall be in addition to permit application fees imposed by law. When the agency determines that it needs additional resources to develop the permit application in an expedited manner, and that expediting the development is consistent with permitting program priorities, the

agency may accept the reimbursement. The commissioner must give the proposer an estimate of costs to be incurred by the commissioner. The estimate must include a brief description of the tasks to be performed, a schedule for completing the tasks, and the estimated cost for each task. The proposer and the commissioner shall enter into a written agreement to cover the estimated costs to be incurred by the commissioner and recourse, including but not limited to a reduction or withholding of fees, the project proposer may seek if the agency fails to comply with the schedule. The agreement must also include the staff assigned to the project and terms requiring the assigned staff to work preferentially on the project until the permit is issued. The commissioner shall not issue a permit until the proposer has paid all fees in full. The commissioner shall refund any unobligated balance of fees paid. Reimbursements accepted by the agency are appropriated to the agency for the purpose of developing the permit or analyzing environmental review documents. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit; shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations; and shall not affect final decisions regarding environmental review.

(g) The fees under this subdivision are exempt from section 16A.1285."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

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

H. F. No. 3807, A bill for an act relating to consumer protection; prohibiting the possession, manufacture, or sale of cellular telephone cases resembling a firearm; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Sanders from the Committee on Government Operations and Elections Policy to which was referred:

S. F. No. 2850, A bill for an act relating to state government; authorizing fund-raising for the Minnesota State Capitol grand reopening; amending Minnesota Statutes 2014, section 15B.32, subdivision 6.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1346, 1372, 1495, 1652, 2688, 3045, 3067, 3142, 3199, 3370, 3419, 3423, 3436, 3548, 3685, 3721, 3723, 3783 and 3807 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. No. 2850 was read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Bernardy introduced:

H. F. No. 3869, A bill for an act relating to taxation; property; authorizing a state general tax refund for certain businesses; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Urdahl and Hausman introduced:

H. F. No. 3870, A bill for an act relating to state government; appropriating money for production of a documentary on the State Capitol restoration.

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

Thissen introduced:

H. F. No. 3871, A bill for an act relating to education; pursuing strategies to prevent over-enrolling minority students and English learners in special education, dismissing more minority students than other students with disabilities, or placing more minority students than other students in settings other than general education classrooms; emphasizing cultural competency; establishing a working group to examine the over-representation of minority students and English learners identified as needing special education or subject to dismissal from school; amending Minnesota Statutes 2014, sections 120B.12, subdivision 1; 121A.55; 122A.06, subdivision 4; 125A.56; Minnesota Statutes 2015 Supplement, section 125A.08.

The bill was read for the first time and referred to the Committee on Education Innovation Policy.

Metsa and Anzelc introduced:

H. F. No. 3872, A bill for an act relating to capital investment; appropriating money for wastewater treatment improvements to serve Keewatin; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Schoen, Cornish, Atkins, Hoppe, Halverson and Zerwas introduced:

H. F. No. 3873, A bill for an act relating to workers' compensation; modifying occupational disease provisions; amending Minnesota Statutes 2014, section 176.011, subdivision 15.

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

Hertaus introduced:

H. F. No. 3874, A bill for an act relating to corrections; appropriating money for a prison employment program.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Heintzeman introduced:

H. F. No. 3875, A bill for an act relating to transportation; amending certain insurance information requirements for motorcycles; making technical changes; amending Minnesota Statutes 2015 Supplement, section 169.798, subdivision 4.

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

Metsa and Davids introduced:

H. F. No. 3876, A bill for an act relating to the city of Virginia; allowing the city to impose a local sales tax to fund renovation and expansion of the Miners Memorial Building.

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

Newton introduced:

H. F. No. 3877, A bill for an act relating to education finance; providing school technology and facilities aid to school districts and charter schools; appropriating money.

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

Anderson, P., and Hamilton introduced:

H. F. No. 3878, A bill for an act relating to taxation; income and corporate franchise; providing a credit for combined heat and power systems; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Gruenhagen introduced:

H. F. No. 3879, A bill for an act relating to human services; establishing an asset test under medical assistance for adults without children; requiring the commissioner of human services to seek federal approval; amending Minnesota Statutes 2014, section 256B.056, subdivision 3c.

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

Davnie introduced:

H. F. No. 3880, A bill for an act relating to transportation; establishing special veterans' plate designs for certain expeditionary medals; amending Minnesota Statutes 2014, section 168.123, subdivision 2.

The bill was read for the first time and referred to the Veterans Affairs Division.

Schultz introduced:

H. F. No. 3881, A bill for an act relating to health insurance; seeking federal waiver to allow individual consumers the opportunity to obtain coverage through the state employees group insurance plan (SEGIP).

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

Mullery introduced:

H. F. No. 3882, A bill for an act relating to workforce development; providing funding for the labor education advancement program; appropriating money.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Cornish introduced:

H. F. No. 3883, A bill for an act relating to capital investment; appropriating money for public infrastructure repair and replacements in Madelia; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Fischer introduced:

H. F. No. 3884, A bill for an act relating to game and fish; modifying requirements for certain traps; requiring certain permission for traps and snares set; requiring reporting; requiring license forfeiture for certain violations; providing criminal penalties; amending Minnesota Statutes 2014, sections 97A.421, subdivision 1; 97B.903; 97B.931, subdivision 2, by adding a subdivision; 97B.951; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Mining and Outdoor Recreation Policy.

Fischer introduced:

H. F. No. 3885, A bill for an act relating to public safety; establishing a critical incident review process for peace officer involved shootings; amending Minnesota Statutes 2014, section 626.553, subdivision 2, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Fischer introduced:

H. F. No. 3886, A bill for an act relating to water; establishing Human Right to Water Act; proposing coding for new law in Minnesota Statutes, chapter 103A.

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

Flanagan introduced:

H. F. No. 3887, A bill for an act relating to capital investment; appropriating money for constructing and operating a child care facility on the Capitol complex; authorizing the sale and issuance of state bonds.

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

Hamilton introduced:

H. F. No. 3888, A bill for an act relating to agriculture; modifying certain agriculture-related provisions; making clarifying and technical changes; amending Minnesota Statutes 2014, sections 17.117, subdivision 11a; 41A.12, subdivision 2; Minnesota Statutes 2015 Supplement, sections 41A.14, subdivisions 1, 2, by adding a subdivision; 41A.15, subdivision 10, by adding subdivisions; 41A.16, subdivision 1; 41A.17, subdivisions 1, 2; 41A.18, subdivision 1; 116D.04, subdivision 2a; Laws 2015, First Special Session chapter 4, article 1, sections 2, subdivision 4; 5.

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

McNamara introduced:

H. F. No. 3889, A bill for an act relating to state government; appropriating money for environment; modifying certain account provisions; amending Minnesota Statutes 2014, section 473.845, subdivision 1.

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

McNamara introduced:

H. F. No. 3890, A bill for an act relating to state government; appropriating money for natural resources; modifying wild rice license requirements; modifying prior appropriations; amending Minnesota Statutes 2014, section 84.091, subdivision 2; Laws 2015, First Special Session chapter 4, article 3, section 3, subdivision 5.

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

### CALENDAR FOR THE DAY

H. F. No. 1089 was reported to the House.

Rarick moved to amend H. F. No. 1089, the second engrossment, as follows:

Page 2, line 32, delete "novelties," and delete the comma

Page 2, line 34, delete "novelties," and delete the comma

Page 3, line 2, delete "novelties" and insert "sparkling devices"

Page 3, line 4, delete "novelties" and insert "sparkling devices"

Page 3, line 16, delete "novelties" and insert "sparkling devices"

Page 3, line 26, delete "sparkling devices or"

Page 3, line 29, after "for" insert "sparkling devices," and after the second "devices" insert a comma

The motion prevailed and the amendment was adopted.

The Speaker called Davids to the Chair.

H. F. No. 1089, A bill for an act relating to public safety; regulating the manufacture, sale, and use of fireworks; amending Minnesota Statutes 2014, section 624.20, subdivision 1.

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 73 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Albright	Davids	Heintzeman	Loonan	O'Neill	Swedzinski
Anderson, M.	Dean, M.	Hertaus	Lucero	Peppin	Theis
Anderson, P.	Drazkowski	Hoppe	Lueck	Petersburg	Torkelson
Anderson, S.	Ecklund	Howe	Mack	Peterson	Urdahl
Anzelc	Erickson	Johnson, B.	Marquart	Pierson	Vogel
Backer	Fenton	Kelly	McDonald	Pugh	Whelan
Baker	Franson	Kiel	McNamara	Rarick	Wills
Barrett	Garofalo	Koznick	Metsa	Runbeck	Spk. Daudt
Bennett	Green	Kresha	Miller	Sanders	
Christensen	Gunther	Lesch	Nash	Schomacker	
Considine	Hackbarth	Lien	Newberger	Scott	
Cornish	Hamilton	Lohmer	Nornes	Smith	
Daniels	Hancock	Loon	O'Driscoll	Sundin	

Those who voted in the negative were:

Anderson, C.	Bly	Dehn, R.	Freiberg	Hilstrom	Johnson, C.
Applebaum	Carlson	Dettmer	Gruenhagen	Hornstein	Johnson, S.
Atkins	Clark	Erhardt	Hansen	Hortman	Kahn
Bernardy	Davnie	Flanagan	Hausman	Isaacson	Knoblach

Laine	Masin	Newton	Quam	Slocum	Youakim
Liebling	Moran	Norton	Rosenthal	Thissen	Zerwas
Lillie	Mullery	Pelowski	Schoen	Uglen	
Loeffler	Murphy, E.	Persell	Schultz	Wagenius	
Mahoney	Murphy, M.	Pinto	Selcer	Ward	
Mariani	Nelson	Poppe	Simonson	Yarusso	

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

H. F. No. 2540 was reported to the House.

Sanders moved to amend H. F. No. 2540, the second engrossment, as follows:

Page 1, delete section 1 and insert:

"Section 1. **[325F.9901] CONSUMER PROTECTION; FANTASY SPORTS.**

Subdivision 1. **Fantasy game operation requirements.** A game operator offering a fantasy game with an entry fee in this state must implement commercially reasonable procedures to:

(1) prevent employees of the game operator and relatives living in the same household as employees of the game operator from competing in any fantasy game with an entry fee offered by any game operator in which the operator offers a cash prize over \$5;

(2) prevent disclosure of gaming information that could affect fantasy game play before the information is made publicly available;

(3) prevent a game operator employee from being a participant in a fantasy game the game operator offers;

(4) verify that contest participants are 18 years of age through the use of a commercially available database or aggregate of databases that is regularly used by government and businesses for the purpose of age and identity verification and authentication;

(5) ensure that an individual who participates as a player or official in a game or contest that is the subject of a fantasy game will be restricted from entering a fantasy game that is determined, in whole or in part, on the accumulated statistical results of a team of individuals in the game or contest in which the individual is a participant;

(6) make available on the operator's Web site information about resources relating to compulsive behavior and where to seek assistance for compulsive behavior;

(7) make available via Web site, telephone, or online chat means to allow individuals to irrevocably restrict their ability to enter a fantasy game and select the length of time restrictions will be in place;

(8) disclose the number of entries a single fantasy game player may submit to each fantasy game with an entry fee and take reasonable steps to prevent a player from submitting more than the allowable number;

(9) for the benefit and protection of fantasy game players' funds held in fantasy game accounts, segregate player funds from operational funds and maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, a bond, security deposits at merchant banks and payment processors, or a combination thereof in the amount of the balance available for withdrawal in player accounts;

(10) offer access to the fantasy game player's play history, including a summary of entry fees expended, games played and previous line-ups, and prizes awarded;

(11) offer access to account details, including all deposit amounts, withdrawal amounts, and bonus or promotion information, including how much is left on any pending bonus or promotion and how much has been released to the fantasy game player;

(12) prevent a player from using a proxy server to enter the game operator's platform;

(13) prominently publish the rules governing each fantasy game with an entry fee;

(14) prohibit the use of third-party scripts, and prohibit a person found to be using a third-party script from playing in a fantasy game offered by the operator for a period of not less than one year;

(15) develop and prominently publish procedures by which a person may file a complaint with the operator; and

(16) disclose the terms of all promotional offers at the time the offers are advertised, and provide full disclosures of limitations on the offer before a person provides financial consideration in exchange for the offer.

Subd. 2. **Definitions.** For purposes of this section, "game operator," "fantasy game," and "entry fee" have the meanings given them under section 609.761, subdivision 7. "Script" means commands that a computer program can execute to automate processes on a game operator's Web site or application."

Page 3, line 9, delete "or simulation" and delete "or educational game"

Page 3, line 23, delete everything after "a"

Page 3, line 24, delete "meaning" and insert "violation"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Atkins moved to amend H. F. No. 2540, the second engrossment, as amended, as follows:

Page 2, after line 27 of the Sanders amendment adopted earlier today, insert:

"Subd. 3. **Audits.** A game operator shall contract annually with a third party to perform an independent audit, consistent with the standards established by the Public Company Accounting Oversight Board, to ensure compliance with this section. The game operator must submit the audit to the commissioner of public safety by March 15 each year for examination and inspection."

The motion prevailed and the amendment was adopted.

Kahn moved to amend H. F. No. 2540, the second engrossment, as amended, as follows:

Page 3, after line 26, insert:

"Sec. 5. **SPORTS BOOKMAKING STUDY.**

(a) The revisor of statutes must prepare a report on sports bookmaking in consultation with house research, house fiscal analysis, senate counsel, research and fiscal analysis, and the commissioners of human services, public safety, revenue, and any agency having relevant data or information that:

(1) addresses the legal status of sports bookmaking under federal and state law, and under the laws of those states that currently authorize sports bookmaking;

(2) analyzes the options for legalizing sports bookmaking in this state;

(3) describes the manner in which sports bookmaking is taxed in states that authorize such activity;

(4) analyzes the options for taxing and auditing sports bookmaking in this state;

(5) provides an estimate on the amount of tax revenue that would be collected in this state from lawful sports bookmaking activity;

(6) analyzes the impact of legal sports bookmaking on compulsive gambling activity;

(7) estimates the frequency and dollar amount of illegal sports bookmaking activity that currently exists in the state; and

(8) analyzes the options for establishing sufficient regulatory oversight with respect to a legal sports bookmaking industry.

The report may also include other information related to the authorization, regulation, or taxation of sports bookmaking.

(b) The revisor of statutes must prepare the report required under this section by January 1, 2017 for the chairs and minority leads of the following committees: commerce and regulatory reform, public safety and crime prevention policy and finance, health and human services reform, and taxes."

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

H. F. No. 2540, A bill for an act relating to commerce; authorizing fantasy sports; amending Minnesota Statutes 2014, sections 541.20; 541.21; 609.761, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

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 100 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Albright	Davids	Hortman	Mariani	Peppin	Sundin
Allen	Dettmer	Howe	Marquart	Persell	Swedzinski
Anderson, C.	Ecklund	Isaacson	Masin	Petersburg	Theis
Anderson, P.	Erhardt	Johnson, C.	McDonald	Peterson	Thissen
Anderson, S.	Erickson	Johnson, S.	McNamara	Pierson	Torkelson
Anzalc	Fenton	Kelly	Metsa	Pinto	Uglem
Applebaum	Flanagan	Kiel	Mullery	Poppe	Urdahl
Atkins	Franson	Knoblach	Murphy, E.	Pugh	Vogel
Backer	Garofalo	Koznick	Nash	Rarick	Ward
Baker	Gunther	Kresha	Nelson	Rosenthal	Whelan
Barrett	Hackbarth	Lien	Newberger	Runbeck	Wills
Bennett	Hamilton	Lillie	Newton	Sanders	Yarusso
Bernardy	Hansen	Loon	Nornes	Schoen	Youakim
Carlson	Hertaus	Loonan	Norton	Schomacker	Zerwas
Christensen	Hilstrom	Lueck	O'Driscoll	Scott	Spk. Daudt
Cornish	Hoppe	Mack	O'Neill	Selcer	
Daniels	Hornstein	Mahoney	Pelowski	Smith	

Those who voted in the negative were:

Anderson, M.	Dehn, R.	Hancock	Laine	Lucero	Simonson
Bly	Drazkowski	Hausman	Lesch	Miller	Slocum
Considine	Freiberg	Heintzeman	Liebling	Moran	Wagenius
Davnie	Green	Johnson, B.	Loeffler	Murphy, M.	
Dean, M.	Gruenhagen	Kahn	Lohmer	Schultz	

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

## MOTIONS AND RESOLUTIONS

Hilstrom moved that the name of Hertaus be added as an author on H. F. No. 200. The motion prevailed.

Peterson moved that the names of Dettmer and Newton be added as authors on H. F. No. 263. The motion prevailed.

Sundin moved that his name be stricken as an author on H. F. No. 333. The motion prevailed.

Pugh moved that the name of Ecklund be added as an author on H. F. No. 787. The motion prevailed.

Scott moved that the name of Ecklund be added as an author on H. F. No. 788. The motion prevailed.

Fischer moved that the name of Mariani be added as an author on H. F. No. 1317. The motion prevailed.

Scott moved that the name of Kresha be added as an author on H. F. No. 1333. The motion prevailed.

Moran moved that the name of Dean, M., be added as an author on H. F. No. 1346. The motion prevailed.

Hausman moved that her name be stricken as an author on H. F. No. 1780. The motion prevailed.

Kiel moved that the name of Baker be added as an author on H. F. No. 1953. The motion prevailed.

Knoblach moved that the name of Swedzinski be added as an author on H. F. No. 2012. The motion prevailed.

Kahn moved that the name of Hansen be added as an author on H. F. No. 2166. The motion prevailed.

Howe moved that the name of Mariani be added as an author on H. F. No. 2388. The motion prevailed.

Johnson, C., moved that the name of Thissen be added as an author on H. F. No. 2394. The motion prevailed.

Hansen moved that the name of Mariani be added as an author on H. F. No. 2407. The motion prevailed.

Murphy, E., moved that the name of Backer be added as an author on H. F. No. 2576. The motion prevailed.

Runbeck moved that the name of Newton be added as an author on H. F. No. 2695. The motion prevailed.

Halverson moved that the name of Murphy, E., be added as an author on H. F. No. 2767. The motion prevailed.

Hausman moved that the names of Murphy, E., and Moran be added as authors on H. F. No. 2784. The motion prevailed.

Hilstrom moved that the name of Pinto be added as an author on H. F. No. 2895. The motion prevailed.

Poppe moved that the name of Johnson, C., be added as an author on H. F. No. 3009. The motion prevailed.

Pinto moved that the name of Masin be added as an author on H. F. No. 3192. The motion prevailed.

Lesch moved that the name of Quam be added as chief author on H. F. No. 3328. The motion prevailed.

Hamilton moved that the names of Youakim, Persell and Mariani be added as authors on H. F. No. 3363. The motion prevailed.

Flanagan moved that the name of Thissen be added as an author on H. F. No. 3380. The motion prevailed.

Pelowski moved that the name of Whelan be added as an author on H. F. No. 3519. The motion prevailed.

Hertaus moved that the name of Flanagan be added as an author on H. F. No. 3529. The motion prevailed.

Hertaus moved that the name of Peterson be added as an author on H. F. No. 3610. The motion prevailed.

Anzenc moved that the names of Smith, McNamara, Cornish, Kresha and Koznick be added as authors on H. F. No. 3683. The motion prevailed.

Hamilton moved that the name of Fischer be added as an author on H. F. No. 3834. The motion prevailed.

Sanders moved that the name of Masin be added as an author on H. F. No. 3857. The motion prevailed.

Smith moved that H. F. No. 2515, now on the General Register, be re-referred to the Committee on Taxes. The motion prevailed.

## ADJOURNMENT

Peppin moved that when the House adjourns today it adjourn until 4:00 p.m., Thursday, April 14, 2016. The motion prevailed.

Peppin moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 4:00 p.m., Thursday, April 14, 2016.

PATRICK D. MURPHY, Chief Clerk, House of Representatives