

STATE OF MINNESOTA

EIGHTY-NINTH SESSION — 2015

 FORTY-SIXTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 24, 2015

The House of Representatives convened at 10:00 a.m. and was called to order by Kurt Daudt, Speaker of the House.

Prayer was offered by the Reverend Tim Johnson, Cherokee Park United Church, St. Paul, Minnesota.

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

The Speaker called Franson to the Chair.

The roll was called and the following members were present:

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

A quorum was present.

Halverson and Moran were excused.

Atkins 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 CHIEF CLERK

S. F. No. 2101 and H. F. No. 105, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

Garofalo moved that S. F. No. 2101 be substituted for H. F. No. 105 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 1638, A bill for an act relating to state government; establishing the health and human services budget; modifying provisions governing health care, MinnesotaCare, MNsure, continuing care, nursing facility payments and workforce development, public health and health care delivery, children and family services, chemical and mental health, direct care and treatment, withdrawal management programs, and health-related licensing boards; establishing uniform requirements for public assistance programs related to income calculation, reporting income, and correcting overpayments and underpayments; making changes to medical assistance, home and community-based services, Northstar Care for Children, child protection, child support, and civil commitment; making changes to and eliminating MinnesotaCare; creating a state tax credit for MNsure premium payments; establishing a federally facilitated marketplace; providing for certain provider rate and grant increases; establishing the Minnesota ABLE plan and accounts; modifying requirements for administrative expenses and audits of certain public health care programs; providing for protection of born alive infants; establishing standards for withdrawal management programs; requiring reports and studies; authorizing rulemaking; making technical changes; modifying certain fees for health-related licensing boards; making human services forecast adjustments; appropriating money; amending Minnesota Statutes 2014, sections 13.46, subdivisions 2, 7; 13.461, by adding a subdivision; 15A.0815, subdivision 3; 43A.241; 62A.02, subdivision 2; 62A.045; 62Q.55, subdivision 3; 62V.02, by adding a subdivision; 62V.03, subdivision 2; 62V.04, subdivisions 1, 2, 4; 62V.05, subdivisions 1, 5, 6, by adding subdivisions; 62V.11, subdivision 2, by adding a subdivision; 119B.011, subdivision 15; 119B.025, subdivision 1; 119B.035, subdivision 4; 119B.09, subdivision 4; 144.293, subdivision 5; 144A.071, subdivision 4a; 144A.75, subdivision 13; 144E.001, by adding a subdivision; 144E.275, subdivision 1, by adding a subdivision; 145.4131, subdivision 1; 145.423; 145.56, subdivisions 2, 4; 145.928, subdivision 13; 146B.01, subdivision 28; 146B.03, subdivisions 4, 6, by adding a subdivision; 146B.07, subdivisions 1, 2; 147.091, subdivision 1; 148.271; 148.52; 148.54; 148.57, subdivisions 1, 2, by adding a subdivision; 148.574; 148.575, subdivision 2; 148.577; 148.59; 148.603; 148E.075; 148E.080, subdivisions 1, 2; 148E.180, subdivisions 2, 5; 150A.06, subdivision 1b; 150A.091, subdivisions 4, 5, 11, by adding subdivisions; 150A.31; 151.01, subdivisions 15a, 27; 151.02; 151.065, subdivisions 1, 2, 3, 4; 151.102; 151.58, subdivisions 2, 5; 152.34; 157.15, subdivision 8; 214.077; 214.10, subdivisions 2, 2a; 214.32, subdivision 6; 245.467, subdivision 6; 245.4876, subdivision 7; 245A.06, by adding a subdivision; 245A.155, subdivisions 1, 2; 245A.65, subdivision 2; 245C.03, by adding a subdivision; 245C.10, by adding a subdivision; 245D.02, by adding a subdivision; 245D.05, subdivisions 1, 2; 245D.06, subdivisions 1, 2, 7; 245D.07, subdivision 2; 245D.071, subdivision 5; 245D.09, subdivisions 3, 5; 245D.22, subdivision 4; 245D.31, subdivisions 3, 4, 5; 252.27, subdivision 2a; 253B.18, subdivisions 4c, 5; 256.01, by adding a subdivision; 256.478; 256.741, subdivisions 1, 2; 256.962, by adding a subdivision; 256.969, subdivisions 2b, 9; 256.975, subdivision 2, by adding a subdivision; 256.98, subdivision 1; 256B.021, subdivision 4; 256B.056, subdivision 5c; 256B.057, subdivision 9; 256B.0625, subdivisions 3b, 13, 13e, 13h, 17, 28a, 31, 58, by adding subdivisions; 256B.0631; 256B.0644; 256B.0913,

subdivision 4; 256B.0915, subdivisions 3a, 3e, 3h; 256B.097, subdivisions 3, 4; 256B.431, subdivisions 2b, 36; 256B.434, subdivision 4, by adding a subdivision; 256B.441, subdivisions 1, 5, 6, 13, 14, 17, 30, 31, 33, 35, 40, 44, 46c, 48, 50, 51, 51a, 53, 54, 55a, 56, 63, by adding subdivisions; 256B.4914, subdivision 6; 256B.492; 256B.50, subdivision 1; 256B.5012, by adding a subdivision; 256B.69, subdivisions 5a, 5i, 9c, 9d, by adding subdivisions; 256B.75; 256B.76, subdivisions 1, 2; 256B.766; 256B.767; 256D.01, subdivision 1a; 256D.02, subdivision 8, by adding subdivisions; 256D.06, subdivision 1; 256D.405, subdivision 3; 256E.35, subdivision 2, by adding a subdivision; 256I.03, subdivision 7, by adding a subdivision; 256I.04, subdivision 1; 256I.05, subdivision 2; 256I.06, subdivision 6; 256J.08, subdivisions 26, 86; 256J.30, subdivisions 1, 9; 256J.35; 256J.40; 256J.95, subdivision 19; 256K.45, subdivision 1a; 256L.01, subdivisions 3a, 5; 256L.03, subdivision 5; 256L.04, subdivisions 1c, 7b, 10; 256L.05, subdivisions 3, 3a, 4, by adding a subdivision; 256L.06, subdivision 3; 256L.121, subdivision 1; 256N.22, subdivisions 9, 10; 256N.24, subdivision 4; 256N.25, subdivision 1; 256N.27, subdivision 2; 256P.001; 256P.01, subdivision 3, by adding subdivisions; 256P.02, by adding a subdivision; 256P.03, subdivision 1; 256P.04, subdivisions 1, 4; 256P.05, subdivision 1; 259A.75; 260C.007, subdivisions 27, 32; 260C.203; 260C.212, subdivision 1, by adding subdivisions; 260C.331, subdivision 1; 260C.451, subdivisions 2, 6; 260C.515, subdivision 5; 260C.521, subdivisions 1, 2; 260C.607, subdivision 4; 270A.03, subdivision 5; 270B.14, subdivision 1; 518A.32, subdivision 2; 518A.39, subdivision 1, by adding a subdivision; 518A.41, subdivisions 1, 3, 4, 14, 15; 518A.46, subdivision 3, by adding a subdivision; 518A.51; 518A.53, subdivision 4; 518C.802; 626.556, subdivisions 1, as amended, 2, 3, 6a, 7, as amended, 10, 10e, 11c, by adding subdivisions; Laws 2008, chapter 363, article 18, section 3, subdivision 5; Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6; Laws 2012, chapter 247, article 4, section 47, as amended; Laws 2014, chapter 189, sections 5; 10; 11; 16; 17; 18; 19; 23; 24; 27; 28; 29; 31; 43; 50; 51; 73; proposing coding for new law in Minnesota Statutes, chapters 62A; 62Q; 62V; 144; 145; 148; 245; 245A; 256B; 256P; 290; proposing coding for new law as Minnesota Statutes, chapters 245F; 256Q; repealing Minnesota Statutes 2014, sections 13.461, subdivision 26; 13D.08, subdivision 5a; 16A.724, subdivision 3; 62A.046, subdivision 5; 62V.01; 62V.02; 62V.03; 62V.04; 62V.05; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; 62V.11; 148.57, subdivisions 3, 4; 148.571; 148.572; 148.573, subdivision 1; 148.575, subdivisions 1, 3, 5, 6; 148.576; 148E.060, subdivision 12; 148E.075, subdivisions 4, 5, 6, 7; 214.105; 256B.434, subdivision 19b; 256B.441, subdivisions 14a, 19, 50a, 52, 55, 58, 62; 256D.0513; 256D.06, subdivision 8; 256D.09, subdivision 6; 256D.49; 256J.38; 256L.01, subdivisions 1, 1a, 1b, 2, 3, 3a, 5, 6, 7; 256L.02, subdivisions 1, 2, 3, 5, 6; 256L.03, subdivisions 1, 1a, 1b, 2, 3, 3a, 3b, 4, 4a, 5, 6; 256L.04, subdivisions 1, 1a, 1c, 2, 2a, 7, 7a, 7b, 8, 10, 12, 13, 14; 256L.05, subdivisions 1, 1a, 1b, 1c, 2, 3, 3a, 3c, 4, 5, 6; 256L.06, subdivision 3; 256L.07, subdivisions 1, 2, 3, 4; 256L.09, subdivisions 1, 2, 4, 5, 6, 7; 256L.10; 256L.11, subdivisions 1, 2, 2a, 3, 4, 7; 256L.12; 256L.121; 256L.15, subdivisions 1, 1a, 1b, 2; 256L.18; 256L.22; 256L.24; 256L.26; 256L.28; Minnesota Rules, part 3400.0170, subparts 5, 6, 12, 13.

Reported the same back with the following amendments:

Page 4, delete section 2

Page 40, delete section 25

Page 45, after line 19, insert:

"Sec. 27. Minnesota Statutes 2014, section 256B.762, is amended to read:

256B.762 REIMBURSEMENT FOR HEALTH CARE SERVICES.

(a) Effective for services provided on or after October 1, 2005, payment rates for the following services shall be increased by five percent over the rates in effect on September 30, 2005, when these services are provided as home health services under section 256B.0625, subdivision 6a:

(1) skilled nursing visit;

- (2) physical therapy visit;
- (3) occupational therapy visit;
- (4) speech therapy visit; and
- (5) home health aide visit.

(b) Effective for services provided on or after July 1, 2015, payment rates for managed care and fee-for-service visits for the following services shall be increased by ten percent over the rates in effect on June 30, 2015, when these services are provided as home health services under section 256B.0625, subdivision 6a:

- (1) physical therapy;
- (2) occupational therapy; and
- (3) speech therapy.

The commissioner shall adjust managed care and county-based purchasing plan capitation rates to reflect the payment rates under this paragraph."

Page 55, delete section 1

Page 69, delete section 18

Page 70, delete section 19

Page 71, line 22, delete "and" and after "subdivision 5" delete the comma and insert "; and 256.01, subdivision 35,"

Page 105, after line 30, insert:

"Sec. 26. Minnesota Statutes 2014, section 256B.0916, subdivision 2, is amended to read:

Subd. 2. **Distribution of funds; partnerships.** (a) Beginning with fiscal year 2000, the commissioner shall distribute all funding available for home and community-based waiver services for persons with developmental disabilities to individual counties or to groups of counties that form partnerships to jointly plan, administer, and authorize funding for eligible individuals. The commissioner shall encourage counties to form partnerships that have a sufficient number of recipients and funding to adequately manage the risk and maximize use of available resources.

(b) Counties must submit a request for funds and a plan for administering the program as required by the commissioner. The plan must identify the number of clients to be served, their ages, and their priority listing based on:

- (1) requirements in Minnesota Rules, part 9525.1880; and
- (2) statewide priorities identified in section 256B.092, subdivision 12.

The plan must also identify changes made to improve services to eligible persons and to improve program management.

(c) In allocating resources to counties, priority must be given to groups of counties that form partnerships to jointly plan, administer, and authorize funding for eligible individuals and to counties determined by the commissioner to have sufficient waiver capacity to maximize resource use.

(d) Within 30 days after receiving the county request for funds and plans, the commissioner shall provide a written response to the plan that includes the level of resources available to serve additional persons.

(e) Counties are eligible to receive medical assistance administrative reimbursement for administrative costs under criteria established by the commissioner.

(f) The commissioner shall manage waiver allocations in such a manner as to fully use available state and federal waiver appropriations.

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

Sec. 27. Minnesota Statutes 2014, section 256B.0916, subdivision 11, is amended to read:

Subd. 11. **Excess spending.** County and tribal agencies are responsible for spending in excess of the allocation made by the commissioner. In the event a county or tribal agency spends in excess of the allocation made by the commissioner for a given allocation period, they must submit a corrective action plan to the commissioner for approval. The plan must state the actions the agency will take to correct their overspending for the year two years following the period when the overspending occurred. ~~Failure to correct overspending shall result in recoupment of spending in excess of the allocation~~ The commissioner shall recoup spending in excess of the allocation only in cases where statewide spending exceeds the appropriation designated for the home and community-based services waivers. Nothing in this subdivision shall be construed as reducing the county's responsibility to offer and make available feasible home and community-based options to eligible waiver recipients within the resources allocated to them for that purpose.

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

Sec. 28. Minnesota Statutes 2014, section 256B.0916, is amended by adding a subdivision to read:

Subd. 12. **Use of waiver allocations.** County and tribal agencies are responsible for spending the annual allocation made by the commissioner. In the event a county or tribal agency spends less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services. If a county or tribe does not submit a plan when required or implement the changes required, the commissioner shall assure access to waiver services within the county's or tribe's available allocation and take other actions needed to assure that all waiver participants in that county or tribe are receiving appropriate waiver services to meet their needs.

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

Page 109, after line 32, insert:

"Sec. 31. Minnesota Statutes 2014, section 256B.49, subdivision 26, is amended to read:

Subd. 26. **Excess allocations.** (a) Effective through June 30, 2018, county and tribal agencies will be responsible for authorizations in excess of the annual allocation made by the commissioner. In the event a county or tribal agency authorizes in excess of the allocation made by the commissioner for a given allocation period, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The plan must state the actions the agency will take to correct their overspending for the year two years following the period when the overspending occurred. ~~Failure to correct overauthorizations shall result in recoupment of authorizations in excess~~

~~of the allocation. The commissioner shall recoup funds spent in excess of the allocation only in cases where statewide spending exceeds the appropriation designated for the home and community-based services waivers. Nothing in this subdivision shall be construed as reducing the county's responsibility to offer and make available feasible home and community-based options to eligible waiver recipients within the resources allocated to them for that purpose. If a county or tribe does not submit a plan when required or implement the changes required, the commissioner shall assure access to waiver services within the county's or tribe's available allocation and take other actions needed to assure that all waiver participants in that county or tribe are receiving appropriate waiver services to meet their needs.~~

~~(b) Effective July 1, 2018, county and tribal agencies will be responsible for spending in excess of the annual allocation made by the commissioner. In the event a county or tribal agency spends in excess of the allocation made by the commissioner for a given allocation period, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The plan must state the actions the agency will take to correct its overspending for the two years following the period when the overspending occurred. The commissioner shall recoup funds spent in excess of the allocation only in cases when statewide spending exceeds the appropriation designated for the home and community-based services waivers. Nothing in this subdivision shall be construed as reducing the county's responsibility to offer and make available feasible home and community-based options to eligible waiver recipients within the resources allocated to it for that purpose. If a county or tribe does not submit a plan when required or implement the changes required, the commissioner shall assure access to waiver services within the county's or tribe's available allocation and take other actions needed to assure that all waiver participants in that county or tribe are receiving appropriate waiver services to meet their needs.~~

Sec. 32. Minnesota Statutes 2014, section 256B.49, is amended by adding a subdivision to read:

Subd. 27. Use of waiver allocations. (a) Effective until June 30, 2018, county and tribal agencies are responsible for authorizing the annual allocation made by the commissioner. In the event a county or tribal agency authorizes less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services.

(b) Effective July 1, 2018, county and tribal agencies are responsible for spending the annual allocation made by the commissioner. In the event a county or tribal agency spends less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services.

Sec. 33. Minnesota Statutes 2014, section 256B.4913, subdivision 4a, is amended to read:

Subd. 4a. Rate stabilization adjustment. (a) For purposes of this subdivision, "implementation period" means the period beginning January 1, 2014, and ending on the last day of the month in which the rate management system is populated with the data necessary to calculate rates for substantially all individuals receiving home and community-based waiver services under sections 256B.092 and 256B.49. "Banding period" means the time period beginning on January 1, 2014, and ending upon the expiration of the 12-month period defined in paragraph (c), clause (5).

(b) For purposes of this subdivision, the historical rate for all service recipients means the individual reimbursement rate for a recipient in effect on December 1, 2013, except that:

(1) for a day service recipient who was not authorized to receive these waiver services prior to January 1, 2014; added a new service or services on or after January 1, 2014; or changed providers on or after January 1, 2014, the historical rate must be the authorized rate for the provider in the county of service, effective December 1, 2013; or

(2) for a unit-based service with programming or a unit-based service without programming recipient who was not authorized to receive these waiver services prior to January 1, 2014; added a new service or services on or after January 1, 2014; or changed providers on or after January 1, 2014, the historical rate must be the weighted average authorized rate for each provider number in the county of service, effective December 1, 2013; or

(3) for residential service recipients who change providers on or after January 1, 2014, the historical rate must be set by each lead agency within their county aggregate budget using their respective methodology for residential services effective December 1, 2013, for determining the provider rate for a similarly situated recipient being served by that provider.

(c) The commissioner shall adjust individual reimbursement rates determined under this section so that the unit rate is no higher or lower than:

(1) 0.5 percent from the historical rate for the implementation period;

(2) 0.5 percent from the rate in effect in clause (1), for the 12-month period immediately following the time period of clause (1);

(3) ~~4.0~~ 0.5 percent from the rate in effect in clause (2), for the 12-month period immediately following the time period of clause (2);

(4) 1.0 percent from the rate in effect in clause (3), for the 12-month period immediately following the time period of clause (3); ~~and~~

(5) 1.0 percent from the rate in effect in clause (4), for the 12-month period immediately following the time period of clause (4); and

(6) no adjustment to the rate in effect in clause (5) for the 12-month period immediately following the time period of clause (5). During this banding rate period, the commissioner shall not enforce any rate decrease or increase that would otherwise result from the end of the banding period. The commissioner shall, upon enactment, seek federal approval for the addition of this banding period.

(d) The commissioner shall review all changes to rates that were in effect on December 1, 2013, to verify that the rates in effect produce the equivalent level of spending and service unit utilization on an annual basis as those in effect on October 31, 2013.

(e) By December 31, 2014, the commissioner shall complete the review in paragraph (d), adjust rates to provide equivalent annual spending, and make appropriate adjustments.

(f) During the banding period, the Medicaid Management Information System (MMIS) service agreement rate must be adjusted to account for change in an individual's need. The commissioner shall adjust the Medicaid Management Information System (MMIS) service agreement rate by:

(1) calculating a service rate under section 256B.4914, subdivision 6, 7, 8, or 9, for the individual with variables reflecting the level of service in effect on December 1, 2013;

(2) calculating a service rate under section 256B.4914, subdivision 6, 7, 8, or 9, for the individual with variables reflecting the updated level of service at the time of application; and

(3) adding to or subtracting from the Medicaid Management Information System (MMIS) service agreement rate, the difference between the values in clauses (1) and (2).

(g) This subdivision must not apply to rates for recipients served by providers new to a given county after January 1, 2014. Providers of personal supports services who also acted as fiscal support entities must be treated as new providers as of January 1, 2014.

Sec. 34. Minnesota Statutes 2014, section 256B.4913, subdivision 5, is amended to read:

Subd. 5. **Stakeholder consultation and county training.** (a) The commissioner shall continue consultation on regular intervals with the existing stakeholder group established as part of the rate-setting methodology process and others, to gather input, concerns, and data, to assist in the full implementation of the new rate payment system and to make pertinent information available to the public through the department's Web site.

(b) The commissioner shall offer training at least annually for county personnel responsible for administering the rate-setting framework in a manner consistent with this section and section 256B.4914.

(c) The commissioner shall maintain an online instruction manual explaining the rate-setting framework. The manual shall be consistent with this section and section 256B.4914, and shall be accessible to all stakeholders including recipients, representatives of recipients, county or tribal agencies, and license holders.

(d) The commissioner shall not defer to the county or tribal agency on matters of technical application of the rate-setting framework, and a county or tribal agency shall not set rates in a manner that conflicts with this section or section 256B.4914.

Sec. 35. Minnesota Statutes 2014, section 256B.4914, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them, unless the context clearly indicates otherwise.

(b) "Commissioner" means the commissioner of human services.

(c) "Component value" means underlying factors that are part of the cost of providing services that are built into the waiver rates methodology to calculate service rates.

(d) "Customized living tool" means a methodology for setting service rates that delineates and documents the amount of each component service included in a recipient's customized living service plan.

(e) "Disability waiver rates system" means a statewide system that establishes rates that are based on uniform processes and captures the individualized nature of waiver services and recipient needs.

(f) "Individual staffing" means the time spent as a one-to-one interaction specific to an individual recipient by staff ~~brought in solely~~ to provide direct support and assistance with activities of daily living, instrumental activities of daily living, and training to participants, and is based on the requirements in each individual's coordinated service and support plan under section 245D.02, subdivision 4b; any coordinated service and support plan addendum under section 245D.02, subdivision 4c; and an assessment tool; ~~and~~ Provider observation of an individual's needs must also be considered.

(g) "Lead agency" means a county, partnership of counties, or tribal agency charged with administering waived services under sections 256B.092 and 256B.49.

(h) "Median" means the amount that divides distribution into two equal groups, one-half above the median and one-half below the median.

(i) "Payment or rate" means reimbursement to an eligible provider for services provided to a qualified individual based on an approved service authorization.

(j) "Rates management system" means a Web-based software application that uses a framework and component values, as determined by the commissioner, to establish service rates.

(k) "Recipient" means a person receiving home and community-based services funded under any of the disability waivers.

(l) "Shared staffing" means time spent by employees, not defined under paragraph (f), providing or available to provide more than one individual with direct support and assistance with activities of daily living as defined under section 256B.0659, subdivision 1, paragraph (b); instrumental activities of daily living as defined under section 256B.0659, subdivision 1, paragraph (i); ancillary activities needed to support individual services; and training to participants, and is based on the requirements in each individual's coordinated service and support plan under section 245D.02, subdivision 4b; any coordinated service and support plan addendum under section 245D.02, subdivision 4c; an assessment tool; and provider observation of an individual's service need. Total shared staffing hours are divided proportionally by the number of individuals who receive the shared service provisions.

(m) "Staffing ratio" means the number of recipients a service provider employee supports during a unit of service based on a uniform assessment tool, provider observation, case history, and the recipient's services of choice, and not based on the staffing ratios under section 245D.31.

(n) "Unit of service" means the following:

(1) for residential support services under subdivision 6, a unit of service is a day. Any portion of any calendar day, within allowable Medicaid rules, where an individual spends time in a residential setting is billable as a day;

(2) for day services under subdivision 7:

(i) for day training and habilitation services, a unit of service is either:

(A) a day unit of service is defined as six or more hours of time spent providing direct services and transportation; or

(B) a partial day unit of service is defined as fewer than six hours of time spent providing direct services and transportation; and

(C) for new day service recipients after January 1, 2014, 15 minute units of service must be used for fewer than six hours of time spent providing direct services and transportation;

(ii) for adult day and structured day services, a unit of service is a day or 15 minutes. A day unit of service is six or more hours of time spent providing direct services;

(iii) for prevocational services, a unit of service is a day or an hour. A day unit of service is six or more hours of time spent providing direct service;

(3) for unit-based services with programming under subdivision 8:

(i) for supported living services, a unit of service is a day or 15 minutes. When a day rate is authorized, any portion of a calendar day where an individual receives services is billable as a day; and

(ii) for all other services, a unit of service is 15 minutes; and

(4) for unit-based services without programming under subdivision 9:

(i) for respite services, a unit of service is a day or 15 minutes. When a day rate is authorized, any portion of a calendar day when an individual receives services is billable as a day; and

(ii) for all other services, a unit of service is 15 minutes."

Page 111, after line 23, insert:

"Sec. 37. Minnesota Statutes 2014, section 256B.4914, subdivision 8, is amended to read:

Subd. 8. **Payments for unit-based services with programming.** Payments for unit-based ~~with program~~ services with programming, including behavior programming, housing access coordination, in-home family support, independent living skills training, hourly supported living services, and supported employment provided to an individual outside of any day or residential service plan must be calculated as follows, unless the services are authorized separately under subdivision 6 or 7:

(1) determine the number of units of service to meet a recipient's needs;

(2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics Minnesota-specific rates or rates derived by the commissioner as provided in subdivision 5;

(3) for a recipient requiring customization for deaf and hard-of-hearing language accessibility under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (2). This is defined as the customized direct-care rate;

(4) multiply the number of direct staff hours by the appropriate staff wage in subdivision 5, paragraph (a), or the customized direct-care rate;

(5) multiply the number of direct staff hours by the product of the supervision span of control ratio in subdivision 5, paragraph (e), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (16);

(6) combine the results of clauses (4) and (5), and multiply the result by one plus the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (e), clause (2). This is defined as the direct staffing rate;

(7) for program plan support, multiply the result of clause (6) by one plus the program plan supports ratio in subdivision 5, paragraph (e), clause (4);

(8) for employee-related expenses, multiply the result of clause (7) by one plus the employee-related cost ratio in subdivision 5, paragraph (e), clause (3);

(9) for client programming and supports, multiply the result of clause (8) by one plus the client programming and supports ratio in subdivision 5, paragraph (e), clause (5);

(10) this is the subtotal rate;

(11) sum the standard general and administrative rate, the program-related expense ratio, and the absence and utilization factor ratio;

(12) divide the result of clause (10) by one minus the result of clause (11). This is the total payment amount;

(13) for supported employment provided in a shared manner, divide the total payment amount in clause (12) by the number of service recipients, not to exceed three. For independent living skills training provided in a shared manner, divide the total payment amount in clause (12) by the number of service recipients, not to exceed two; and

(14) adjust the result of clause (13) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.

Sec. 38. Minnesota Statutes 2014, section 256B.4914, subdivision 10, is amended to read:

Subd. 10. **Updating payment values and additional information.** (a) From January 1, 2014, through December 31, 2017, the commissioner shall develop and implement uniform procedures to refine terms and adjust values used to calculate payment rates in this section.

(b) No later than July 1, 2014, the commissioner shall, within available resources, begin to conduct research and gather data and information from existing state systems or other outside sources on the following items:

(1) differences in the underlying cost to provide services and care across the state; and

(2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and

(3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.

(c) Using a statistically valid set of rates management system data, the commissioner, in consultation with stakeholders, shall analyze for each service the average difference in the rate on December 31, 2013, and the framework rate at the individual, provider, lead agency, and state levels. The commissioner shall issue semiannual reports to the stakeholders on the difference in rates by service and by county during the banding period under section 256B.4913, subdivision 4a. The commissioner shall issue the first report by October 1, 2014.

(d) No later than July 1, 2014, the commissioner, in consultation with stakeholders, shall begin the review and evaluation of the following values already in subdivisions 6 to 9, or issues that impact all services, including, but not limited to:

(1) values for transportation rates for day services;

(2) values for transportation rates in residential services;

(3) values for services where monitoring technology replaces staff time;

(4) values for indirect services;

(5) values for nursing;

(6) component values for independent living skills;

(7) component values for family foster care that reflect licensing requirements;

- (8) adjustments to other components to replace the budget neutrality factor;
 - (9) remote monitoring technology for nonresidential services;
 - (10) values for basic and intensive services in residential services;
 - (11) ~~values for the facility use rate in day services~~ the weightings used in the day service ratios and adjustments to those weightings;
 - (12) values for workers' compensation as part of employee-related expenses;
 - (13) values for unemployment insurance as part of employee-related expenses;
 - (14) a component value to reflect costs for individuals with rates previously adjusted for the inclusion of group residential housing rate 3 costs, only for any individual enrolled as of December 31, 2013; and
 - (15) any changes in state or federal law with an impact on the underlying cost of providing home and community-based services.
- (e) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (b) to (d) on the following dates:
- (1) January 15, 2015, with preliminary results and data;
 - (2) January 15, 2016, with a status implementation update, and additional data and summary information;
 - (3) January 15, 2017, with the full report; and
 - (4) January 15, 2019, with another full report, and a full report once every four years thereafter.
- (f) Based on the commissioner's evaluation of the information and data collected in paragraphs (b) to (d), the commissioner shall make recommendations to the legislature by January 15, 2015, to address any issues identified during the first year of implementation. After January 15, 2015, the commissioner may make recommendations to the legislature to address potential issues.
- (g) The commissioner shall implement a regional adjustment factor to all rate calculations in subdivisions 6 to 9, effective no later than January 1, 2015. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.
- (h) The commissioner shall provide a public notice via LISTSERV in October of each year beginning October 1, 2014, containing information detailing legislatively approved changes in:
- (1) calculation values including derived wage rates and related employee and administrative factors;
 - (2) service utilization;
 - (3) county and tribal allocation changes; and
 - (4) information on adjustments made to calculation values and the timing of those adjustments.
- The information in this notice must be effective January 1 of the following year.

(i) No later than July 1, 2016, the commissioner shall develop and implement, in consultation with stakeholders, a methodology sufficient to determine the shared staffing levels necessary to meet, at a minimum, health and welfare needs of individuals who will be living together in shared residential settings, and the required shared staffing activities described in subdivision 2, paragraph (1). This determination methodology must ensure staffing levels are adaptable to meet the needs and desired outcomes for current and prospective residents in shared residential settings.

(j) When the available shared staffing hours in a residential setting are insufficient to meet the needs of an individual who enrolled in residential services after January 1, 2014, or insufficient to meet the needs of an individual with a service agreement adjustment described in section 256B.4913, subdivision 4a, paragraph (f), then individual staffing hours shall be used.

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

Sec. 39. Minnesota Statutes 2014, section 256B.4914, subdivision 14, is amended to read:

Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies must identify individuals with exceptional needs that cannot be met under the disability waiver rate system. The commissioner shall use that information to evaluate and, if necessary, approve an alternative payment rate for those individuals. Whether granted, denied, or modified, the commissioner shall respond to all exception requests in writing. The commissioner shall include in the written response the basis for the action and provide notification of the right to appeal under paragraph (h).

(b) Lead agencies must act on an exception request within 30 days and notify the initiator of the request of their recommendation in writing. A lead agency shall submit all exception requests along with its recommendation to the state commissioner.

(c) An application for a rate exception may be submitted for the following criteria:

(1) an individual has service needs that cannot be met through additional units of service; ~~or~~

(2) an individual's rate determined under subdivisions 6, 7, 8, and 9 ~~results~~ is so insufficient that it has resulted in an individual being discharged receiving a notice of discharge from the individual's provider; or

(3) an individual's service needs, including behavioral changes, require a level of service which necessitates a change in provider or which requires the current provider to propose service changes beyond those currently authorized.

(d) Exception requests must include the following information:

(1) the service needs required by each individual that are not accounted for in subdivisions 6, 7, 8, and 9;

(2) the service rate requested and the difference from the rate determined in subdivisions 6, 7, 8, and 9;

(3) a basis for the underlying costs used for the rate exception and any accompanying documentation; and

(4) ~~the duration of the rate exception; and~~

(~~5~~) any contingencies for approval.

(e) Approved rate exceptions shall be managed within lead agency allocations under sections 256B.092 and 256B.49.

(f) Individual disability waiver recipients, an interested party, or the license holder that would receive the rate exception increase may request that a lead agency submit an exception request. A lead agency that denies such a request shall notify the individual waiver recipient, interested party, or license holder of its decision and the reasons for denying the request in writing no later than 30 days after the individual's request has been made and shall submit its denial to the commissioner in accordance with paragraph (b). The reasons for the denial must be based on the failure to meet the criteria in paragraph (c).

(g) The commissioner shall determine whether to approve or deny an exception request no more than 30 days after receiving the request. If the commissioner denies the request, the commissioner shall notify the lead agency and the individual disability waiver recipient, the interested party, and the license holder in writing of the reasons for the denial.

(h) The individual disability waiver recipient may appeal any denial of an exception request by either the lead agency or the commissioner, pursuant to sections 256.045 and 256.0451. When the denial of an exception request results in the proposed demission of a waiver recipient from a residential or day habilitation program, the commissioner shall issue a temporary stay of demission, when requested by the disability waiver recipient, consistent with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary stay shall remain in effect until the lead agency can provide an informed choice of appropriate, alternative services to the disability waiver.

(i) Providers may petition lead agencies to update values that were entered incorrectly or erroneously into the rate management system, based on past service level discussions and determination in subdivision 4, without applying for a rate exception.

(j) The starting date for the rate exception will be the later of the date of the recipient's change in support or the date of the request to the lead agency for an exception.

(k) The commissioner shall track all exception requests received and their dispositions. The commissioner shall issue quarterly public exceptions statistical reports, including the number of exception requests received and the numbers granted, denied, withdrawn, and pending. The report shall include the average amount of time required to process exceptions.

(l) No later than January 15, 2016, the commissioner shall provide research findings on the estimated fiscal impact, the primary cost drivers, and common population characteristics of recipients with needs that cannot be met by the framework rates.

(m) No later than July 1, 2016, the commissioner shall develop and implement, in consultation with stakeholders, a process to determine eligibility for rate exceptions for individuals with rates determined under the methodology in section 256B.4913, subdivision 4a. Determination of the eligibility for an exception will occur as annual service renewals are completed.

(n) Approved rate exceptions will be implemented at such time that the individual's rate is no longer banded and remain in effect in all cases until an individual's needs change as defined in paragraph (c).

Sec. 40. Minnesota Statutes 2014, section 256B.4914, subdivision 15, is amended to read:

Subd. 15. **County or tribal allocations.** (a) Upon implementation of the disability waiver rates management system on January 1, 2014, the commissioner shall establish a method of tracking and reporting the fiscal impact of the disability waiver rates management system on individual lead agencies.

(b) Beginning January 1, 2014, the commissioner shall make annual adjustments to lead agencies' home and community-based waived service budget allocations to adjust for rate differences and the resulting impact on county allocations upon implementation of the disability waiver rates system.

(c) ~~During the first two years of implementation under section 256B.4913, Lead agencies exceeding their allocations shall be subject to the provisions under sections 256B.092 and 256B.49 shall only be held liable for spending in excess of their allocations after a reallocation of resources by the commissioner under paragraph (b). The commissioner shall reallocate resources under sections 256B.092, subdivision 12, and 256B.49, subdivision 11a. The commissioner shall notify lead agencies of this process by July 1, 2014.~~"

Page 126, after line 10, insert:

"Sec. 55. **DIRECTION TO COMMISSIONER; REPORTS REQUIRED.**

The commissioner of human services shall develop and submit reports to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over health and human services policy and finance on the implementation of Minnesota Statutes, sections 256B.0916, subdivisions 2, 11, and 12, and 256B.49, subdivisions 26 and 27. The commissioner shall submit two reports, one by February 15, 2018, and the second by February 15, 2019.

Sec. 56. **DIRECTION TO COMMISSIONER; DAY TRAINING AND HABILITATION.**

For service agreements renewed or entered into on or after January 1, 2016, the commissioner of human services shall calculate the transportation portion of the payment for day training and habilitation programs using payment factors found in Minnesota Statutes, section 256B.4914, subdivision 7, clauses (16) and (17).

Sec. 57. **HOME AND COMMUNITY-BASED SERVICES INCENTIVE POOL.**

The commissioner of human services shall develop an initiative to provide incentives for innovation in achieving integrated competitive employment, living in the most integrated setting, and other outcomes determined by the commissioner. The commissioner shall seek requests for proposals and shall contract with one or more entities to provide incentive payments for meeting identified outcomes. The initial requests for proposals must be issued by October 1, 2015."

Page 162, after line 35, insert:

"Sec. 37. Minnesota Statutes 2014, section 256B.441, is amended by adding a subdivision to read:

Subd. 66. **Nursing facilities in border cities.** Effective for the rate year beginning January 1, 2016, and annually thereafter, operating payment rates of a nonprofit nursing facility that exists on January 1, 2015, is located anywhere within the boundaries of the city of Breckenridge, and is reimbursed under this section, section 256B.431, or section 256B.434, shall be adjusted to be equal to the median RUG's rates, including comparable rate components as determined by the commissioner, for the equivalent RUG's weight of the nonprofit nursing facility or facilities located in an adjacent city in another state and in cities contiguous to the adjacent city. The Minnesota facility's operating payment rate with a weight of 1.0 shall be computed by dividing the adjacent city's nursing facilities median operating payment rate with a weight of 1.02 by 1.02. If the adjustments under this subdivision result in a rate that exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall not be subject to those limits for that rate year. This subdivision shall apply only if it results in a rate increase."

Page 167, after line 22, insert:

"Sec. 4. Minnesota Statutes 2014, section 103I.205, subdivision 4, is amended to read:

Subd. 4. **License required.** (a) Except as provided in paragraph (b), (c), (d), or (e), section 103I.401, subdivision 2, or section 103I.601, subdivision 2, a person may not drill, construct, repair, or seal a well or boring unless the person has a well contractor's license in possession.

(b) A person may construct, repair, and seal a monitoring well if the person:

(1) is a professional engineer licensed under sections 326.02 to 326.15 in the branches of civil or geological engineering;

(2) is a hydrologist or hydrogeologist certified by the American Institute of Hydrology;

(3) is a professional geoscientist licensed under sections 326.02 to 326.15;

(4) is a geologist certified by the American Institute of Professional Geologists; or

(5) meets the qualifications established by the commissioner in rule.

A person must register with the commissioner as a monitoring well contractor on forms provided by the commissioner.

(c) A person may do the following work with a limited well/boring contractor's license in possession. A separate license is required for each of the six activities:

(1) installing or repairing well screens or pitless units or pitless adaptors and well casings from the pitless adaptor or pitless unit to the upper termination of the well casing;

(2) constructing, repairing, and sealing drive point wells or dug wells;

(3) installing well pumps or pumping equipment;

(4) sealing wells;

(5) constructing, repairing, or sealing dewatering wells; or

(6) constructing, repairing, or sealing bored geothermal heat exchangers.

(d) A person may construct, repair, and seal an elevator boring with an elevator boring contractor's license.

(e) Notwithstanding other provisions of this chapter requiring a license or registration, a license or registration is not required for a person who complies with the other provisions of this chapter if the person is:

(1) an individual who constructs a well on land that is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode;

(2) an individual who performs labor or services for a contractor licensed or registered under the provisions of this chapter in connection with the construction, sealing, or repair of a well or boring at the direction and under the personal supervision of a contractor licensed or registered under the provisions of this chapter; or

(3) a licensed plumber who is repairing submersible pumps or water pipes associated with well water systems if:

(i) the repair location is within an area where there is no licensed or registered well contractor within 25 50 miles; and

(ii) the licensed plumber complies with all of the requirements of this chapter and all relevant sections of the plumbing code."

Page 169, after line 7, insert:

"Sec. 6. Minnesota Statutes 2014, section 144.293, subdivision 5, is amended to read:

Subd. 5. **Exceptions to consent requirement.** (a) This section does not prohibit the release of health records:

(1) for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency;

(2) to other providers within related health care entities when necessary for the current treatment of the patient; or

(3) to a health care facility licensed by this chapter, chapter 144A, or to the same types of health care facilities licensed by this chapter and chapter 144A that are licensed in another state when a patient:

(i) is returning to the health care facility and unable to provide consent; or

(ii) who resides in the health care facility, has services provided by an outside resource under Code of Federal Regulations, title 42, section 483.75(h), and is unable to provide consent.

(b) A provider may release a deceased patient's health care records to another provider for the purposes of diagnosing or treating the deceased patient's surviving adult child.

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

Page 170, line 29, delete "without a prescription" and insert "pursuant to this section"

Page 184, after line 17, insert:

"Section 1. Minnesota Statutes 2014, section 245C.03, is amended by adding a subdivision to read:

Subd. 10. Providers of group residential housing or supplementary services. The commissioner shall conduct background studies on any individual required under section 256I.04 to have a background study completed under this chapter.

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

Sec. 2. Minnesota Statutes 2014, section 245C.10, is amended by adding a subdivision to read:

Subd. 11. Providers of group residential housing or supplementary services. The commissioner shall recover the cost of background studies initiated by providers of group residential housing or supplementary services under section 256I.04 through a fee of no more than \$20 per study. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting background studies.

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

Sec. 3. Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision to read:

Subd. 12a. Department of Human Services child fatality and near fatality review team. The commissioner shall establish a Department of Human Services child fatality and near fatality review team to review child fatalities and near fatalities due to child maltreatment and child fatalities and near fatalities that occur in licensed facilities and are not due to natural causes. The review team shall assess the entire child protection services process from the

point of a mandated reporter reporting the alleged maltreatment through the ongoing case management process. Department staff shall lead and conduct on-site local reviews and utilize supervisors from local county and tribal child welfare agencies as peer reviewers. The review process must focus on critical elements of the case and on the involvement of the child and family with the county or tribal child welfare agency. The review team shall identify necessary program improvement planning to address any practice issues identified and training and technical assistance needs of the local agency. Summary reports of each review shall be provided to the state child mortality review panel when completed.

Sec. 4. Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision to read:

Subd. 14c. **Early intervention support and services for at-risk American Indian families.** (a) The commissioner shall authorize grants to tribal child welfare agencies and urban Indian organizations for the purpose of providing early intervention support and services to prevent child maltreatment for at-risk American Indian families.

(b) The commissioner is authorized to develop program eligibility criteria, early intervention service delivery procedures, and reporting requirements for agencies and organizations receiving grants.

Sec. 5. Minnesota Statutes 2014, section 256.017, subdivision 1, is amended to read:

Subdivision 1. **Authority and purpose.** The commissioner shall administer a compliance system for the Minnesota family investment program, the food stamp or food support program, emergency assistance, general assistance, medical assistance, emergency general assistance, Minnesota supplemental assistance, group residential housing, preadmission screening, alternative care grants, the child care assistance program, and all other programs administered by the commissioner or on behalf of the commissioner under the powers and authorities named in section 256.01, subdivision 2. The purpose of the compliance system is to permit the commissioner to supervise the administration of public assistance programs and to enforce timely and accurate distribution of benefits, completeness of service and efficient and effective program management and operations, to increase uniformity and consistency in the administration and delivery of public assistance programs throughout the state, and to reduce the possibility of sanctions and fiscal disallowances for noncompliance with federal regulations and state statutes. The commissioner, or the commissioner's representative, may issue administrative subpoenas as needed in administering the compliance system.

The commissioner shall utilize training, technical assistance, and monitoring activities, as specified in section 256.01, subdivision 2, to encourage county agency compliance with written policies and procedures."

Page 186, after line 15, insert:

"Sec. 8. **[256E.28] CHILD PROTECTION GRANTS TO ADDRESS CHILD WELFARE DISPARITIES.**

Subdivision 1. **Child welfare disparities grant program established.** The commissioner may award grants to eligible entities for the development, implementation, and evaluation of activities to address racial disparities and disproportionality in the child welfare system by:

(1) identifying and addressing structural factors that contribute to inequities in outcomes;

(2) identifying and implementing strategies to reduce racial disparities in treatment and outcomes;

(3) using cultural values, beliefs, and practices of families, communities, and tribes for case planning, service design, and decision-making processes;

(4) using placement and reunification strategies to maintain and support relationships and connections between parents, siblings, children, kin, significant others, and tribes; and

(5) supporting families in the context of their communities and tribes to safely divert them from the child welfare system, whenever possible.

Subd. 2. **State-community partnerships; plan.** The commissioner, in partnership with the culturally based community organizations; the Indian Affairs Council under section 3.922; the Council on Affairs of Chicano/Latino People under section 3.9223; the Council on Black Minnesotans under section 3.9225; the Council on Asian-Pacific Minnesotans under section 3.9226; the American Indian Child Welfare Advisory Council under section 260.835; counties; and tribal governments, shall develop and implement a comprehensive, coordinated plan to award funds under this section for the priority areas identified in subdivision 1. In developing and implementing this plan, the commissioner shall consult with the legislative task force on child protection.

Subd. 3. **Measurable outcomes.** The commissioner, in consultation with the community partners listed in subdivision 2 and the legislative task force on child protection, shall establish measurable outcomes to achieve the goals specified in subdivision 1 and to determine the effectiveness of the grants and other activities funded under this section in reducing disparities identified in subdivision 1. The development of measurable outcomes must be completed before any funds are distributed under this section.

Subd. 4. **Process.** (a) The commissioner, in consultation with the community partners listed in subdivision 2 and the legislative task force on child protection, shall develop the criteria and procedures to allocate competitive grants under this section. In developing the criteria, the commissioner shall establish an administrative cost limit for grant recipients. A county awarded a grant shall not spend more than three percent of the grant on administrative costs. When a grant is awarded, the commissioner must provide a grant recipient with information on the outcomes established according to subdivision 3.

(b) A grant recipient must coordinate its activities with other entities receiving funds under this section that are in the grant recipient's service area.

(c) Grant funds must not be used to supplant any state or federal funds received for child welfare services.

Subd. 5. **Grant program criteria.** (a) The commissioner, in consultation with the legislative task force on child protection, shall award competitive grants to eligible applicants for local or regional projects and initiatives directed at reducing disparities in the child welfare system.

(b) The commissioner may award up to 20 percent of the funds available as planning grants. Planning grants must be used to address such areas as community assessment, coordination activities, and development of community supported strategies.

(c) Eligible applicants may include, but are not limited to, faith-based organizations, social service organizations, community nonprofit organizations, counties, and tribal governments. Applicants must submit proposals to the commissioner. A proposal must specify the strategies to be implemented to address one or more of the priority areas in subdivision 1 and must be targeted to achieve the outcomes established according to subdivision 3.

(d) The commissioner shall give priority to applicants who demonstrate that their proposed project or initiative:

(1) is supported by the community the applicant will serve;

(2) is evidence-based;

(3) is designed to complement other related community activities;

(4) utilizes strategies that positively impact priority areas;

(5) reflects culturally appropriate approaches; or

(6) will be implemented through or with community-based organizations that reflect the culture of the population to be reached.

Subd. 6. **Evaluation.** (a) Using the outcomes established according to subdivision 3, the commissioner shall conduct a biennial evaluation of the grant program funded under this section. Grant recipients shall cooperate with the commissioner in the evaluation and shall provide the commissioner with the information needed to conduct the evaluation.

(b) The commissioner shall consult with the legislative task force on child protection during the evaluation process and shall submit a biennial evaluation report to the task force and to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over child protection funding.

Subd. 7. **American Indian child welfare projects.** Of the amount appropriated for purposes of this section, the commissioner shall award \$75,000 to each tribe authorized to provide tribal delivery of child welfare services under section 256.01, subdivision 14b. To receive funds under this subdivision, a participating tribe is not required to apply to the commissioner for grant funds. Participating tribes are also eligible for competitive grant funds under this section."

Page 188, after line 9, insert:

"Sec. 11. Minnesota Statutes 2014, section 256I.03, subdivision 3, is amended to read:

Subd. 3. **Group residential housing.** "Group residential housing" means a group living situation that provides at a minimum room and board to unrelated persons who meet the eligibility requirements of section 256I.04. ~~This definition includes foster care settings or community residential settings for a single adult.~~ To receive payment for a group residence rate, the residence must meet the requirements under section 256I.04, ~~subdivision~~ subdivisions 2a to 2f.

Sec. 12. Minnesota Statutes 2014, section 256I.03, subdivision 7, is amended to read:

Subd. 7. **Countable income.** "Countable income" means all income received by an applicant or recipient less any applicable exclusions or disregards. For a recipient of any cash benefit from the SSI program, countable income means the SSI benefit limit in effect at the time the person is ~~in a GRH~~ a recipient of group residential housing, less the medical assistance personal needs allowance under section 256B.35. If the SSI limit ~~has been~~ or benefit is reduced for a person due to events occurring prior to the persons entering the GRH setting other than receipt of additional income, countable income means actual income less any applicable exclusions and disregards.

Sec. 13. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 9. **Direct contact.** "Direct contact" means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to recipients of group residential housing.

Sec. 14. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 10. **Habitability inspection.** "Habitability inspection" means an inspection to determine whether the housing occupied by an individual meets the habitability standards specified by the commissioner. The standards must be provided to the applicant in writing and posted on the Department of Human Services Web site.

Sec. 15. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 11. Long-term homelessness. "Long-term homelessness" means lacking a permanent place to live:

(1) continuously for one year or more; or

(2) at least four times in the past three years.

Sec. 16. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 12. Professional certification. "Professional certification" means a statement about an individual's illness, injury, or incapacity that is signed by a qualified professional. The statement must specify that the individual has an illness or incapacity which limits the individual's ability to work and provide self-support. The statement must also specify that the individual needs assistance to access or maintain housing, as evidenced by the need for two or more of the following services:

(1) tenancy supports to assist an individual with finding the individual's own home, landlord negotiation, securing furniture and household supplies, understanding and maintaining tenant responsibilities, conflict negotiation, and budgeting and financial education;

(2) supportive services to assist with basic living and social skills, household management, monitoring of overall well-being, and problem solving;

(3) employment supports to assist with maintaining or increasing employment, increasing earnings, understanding and utilizing appropriate benefits and services, improving physical or mental health, moving toward self-sufficiency, and achieving personal goals; or

(4) health supervision services to assist in the preparation and administration of medications other than injectables, the provision of therapeutic diets, taking vital signs, or providing assistance in dressing, grooming, bathing, or with walking devices.

Sec. 17. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 13. Prospective budgeting. "Prospective budgeting" means estimating the amount of monthly income a person will have in the payment month.

Sec. 18. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 14. Qualified professional. "Qualified professional" means an individual as defined in section 256J.08, subdivision 73a, or Minnesota Rules, part 9530.6450, subpart 3, 4, or 5; or an individual approved by the director of human services or a designee of the director.

Sec. 19. Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision to read:

Subd. 15. Supportive housing. "Supportive housing" means housing with support services according to the continuum of care coordinated assessment system established under Code of Federal Regulations, title 24, section 578.3.

Sec. 20. Minnesota Statutes 2014, section 256I.04, is amended to read:

256I.04 ELIGIBILITY FOR GROUP RESIDENTIAL HOUSING PAYMENT.

Subdivision 1. **Individual eligibility requirements.** An individual is eligible for and entitled to a group residential housing payment to be made on the individual's behalf if the agency has approved the individual's residence in a group residential housing setting and the individual meets the requirements in paragraph (a) or (b).

(a) The individual is aged, blind, or is over 18 years of age and disabled as determined under the criteria used by the title II program of the Social Security Act, and meets the resource restrictions and standards of section 256P.02, and the individual's countable income after deducting the (1) exclusions and disregards of the SSI program, (2) the medical assistance personal needs allowance under section 256B.35, and (3) an amount equal to the income actually made available to a community spouse by an elderly waiver participant under the provisions of sections 256B.0575, paragraph (a), clause (4), and 256B.058, subdivision 2, is less than the monthly rate specified in the agency's agreement with the provider of group residential housing in which the individual resides.

(b) The individual meets a category of eligibility under section 256D.05, subdivision 1, paragraph (a), clauses (1), (3), (5) to (9), and (14), and paragraph (b), if applicable, and the individual's resources are less than the standards specified by section 256P.02, and the individual's countable income as determined under sections 256D.01 to 256D.21, less the medical assistance personal needs allowance under section 256B.35 is less than the monthly rate specified in the agency's agreement with the provider of group residential housing in which the individual resides.

Subd. 1a. **County approval.** (a) A county agency may not approve a group residential housing payment for an individual in any setting with a rate in excess of the MSA equivalent rate for more than 30 days in a calendar year unless the ~~county agency has developed or approved~~ individual has a plan for the individual which specifies that:

~~(1) the individual has an illness or incapacity which prevents the person from living independently in the community; and~~

~~(2) the individual's illness or incapacity requires the services which are available in the group residence.~~

~~The plan must be signed or countersigned by any of the following employees of the county of financial responsibility: the director of human services or a designee of the director; a social worker; or a case aide professional certification under section 256I.03, subdivision 12.~~

(b) If a county agency determines that an applicant is ineligible due to not meeting eligibility requirements under this section, a county agency may accept a signed personal statement from the applicant in lieu of documentation verifying ineligibility.

(c) Effective July 1, 2016, to be eligible for supplementary service payments, providers must enroll in the provider enrollment system identified by the commissioner.

Subd. 1b. **Optional state supplements to SSI.** Group residential housing payments made on behalf of persons eligible under subdivision 1, paragraph (a), are optional state supplements to the SSI program.

Subd. 1c. **Interim assistance.** Group residential housing payments made on behalf of persons eligible under subdivision 1, paragraph (b), are considered interim assistance payments to applicants for the federal SSI program.

Subd. 2. **Date of eligibility.** An individual who has met the eligibility requirements of subdivision 1, shall have a group residential housing payment made on the individual's behalf from the first day of the month in which a signed application form is received by a county agency, or the first day of the month in which all eligibility factors have been met, whichever is later.

Subd. 2a. **License required; staffing qualifications.** ~~A county~~ (a) Except as provided in paragraph (b), an agency may not enter into an agreement with an establishment to provide group residential housing unless:

(1) the establishment is licensed by the Department of Health as a hotel and restaurant; a board and lodging establishment; ~~a residential care home~~; a boarding care home before March 1, 1985; or a supervised living facility, and the service provider for residents of the facility is licensed under chapter 245A. However, an establishment licensed by the Department of Health to provide lodging need not also be licensed to provide board if meals are being supplied to residents under a contract with a food vendor who is licensed by the Department of Health;

(2) the residence is: (i) licensed by the commissioner of human services under Minnesota Rules, parts 9555.5050 to 9555.6265; (ii) certified by a county human services agency prior to July 1, 1992, using the standards under Minnesota Rules, parts 9555.5050 to 9555.6265; (iii) ~~a residence~~ licensed by the commissioner under Minnesota Rules, parts 2960.0010 to 2960.0120, with a variance under section 245A.04, subdivision 9; or (iv) licensed under section 245D.02, subdivision 4a, as a community residential setting by the commissioner of human services; or

(3) the establishment is registered under chapter 144D and provides three meals a day, or is an establishment voluntarily registered under section 144D.025 as a supportive housing establishment; ~~or,~~

~~(4) an establishment voluntarily registered under section 144D.025, other than a supportive housing establishment under clause (3), is not eligible to provide group residential housing.~~

(b) The requirements under ~~clauses (1) to (4)~~ paragraph (a) do not apply to establishments exempt from state licensure because they are:

(1) located on Indian reservations and subject to tribal health and safety requirements; ~~or~~

(2) a supportive housing establishment that has an approved habitability inspection and an individual lease agreement and that serves people who have experienced long-term homelessness and were referred through a coordinated assessment in section 256I.03, subdivision 15.

(c) Supportive housing establishments and emergency shelters must participate in the homeless management information system.

(d) Effective July 1, 2016, an agency shall not have an agreement with a provider of group residential housing or supplementary services unless all staff members who have direct contact with recipients:

(1) have skills and knowledge acquired through one or more of the following:

(i) a course of study in a health- or human services-related field leading to a bachelor of arts, bachelor of science, or associate's degree;

(ii) one year of experience with the target population served;

(iii) experience as a certified peer specialist according to section 256B.0615; or

(iv) meeting the requirements for unlicensed personnel under sections 144A.43 to 144A.483;

(2) hold a current Minnesota driver's license appropriate to the vehicle driven if transporting recipients;

(3) complete training on vulnerable adults mandated reporting and child maltreatment mandated reporting, where applicable; and

(4) complete group residential housing orientation training offered by the commissioner.

Subd. 2b. **Group residential housing agreements.** (a) Agreements between ~~county~~ agencies and providers of group residential housing must be in writing on a form developed and approved by the commissioner and must specify the name and address under which the establishment subject to the agreement does business and under which the establishment, or service provider, if different from the group residential housing establishment, is licensed by the Department of Health or the Department of Human Services; the specific license or registration from the Department of Health or the Department of Human Services held by the provider and the number of beds subject to that license; the address of the location or locations at which group residential housing is provided under this agreement; the per diem and monthly rates that are to be paid from group residential housing funds for each eligible resident at each location; the number of beds at each location which are subject to the group residential housing agreement; whether the license holder is a not-for-profit corporation under section 501(c)(3) of the Internal Revenue Code; and a statement that the agreement is subject to the provisions of sections 256I.01 to 256I.06 and subject to any changes to those sections.

(b) Providers are required to verify the following minimum requirements in the agreement:

(1) current license or registration, including authorization if managing or monitoring medications;

(2) all staff who have direct contact with recipients meet the staff qualifications;

(3) the provision of group residential housing;

(4) the provision of supplementary services, if applicable;

(5) reports of adverse events, including recipient death or serious injury; and

(6) submission of residency requirements that could result in recipient eviction.

~~Group residential housing~~ (c) Agreements may be terminated with or without cause by ~~either~~ the ~~county~~ commissioner, the agency, or the provider with two calendar months prior notice. The commissioner may immediately terminate an agreement under subdivision 2d.

Subd. 2c. **Crisis shelters Background study requirements.** ~~Secure crisis shelters for battered women and their children designated by the Minnesota Department of Corrections are not group residences under this chapter.~~ (a) Effective July 1, 2016, a provider of group residential housing or supplementary services must initiate background studies in accordance with chapter 245C of the following individuals:

(1) controlling individuals as defined in section 245A.02;

(2) managerial officials as defined in section 245A.02; and

(3) all employees and volunteers of the establishment who have direct contact with recipients, or who have unsupervised access to recipients, their personal property, or their private data.

(b) The provider of group residential housing or supplementary services must maintain compliance with all requirements established for entities initiating background studies under chapter 245C.

(c) Effective July 1, 2017, a provider of group residential housing or supplementary services must demonstrate that all individuals required to have a background study according to paragraph (a) have a notice stating either that:

(1) the individual is not disqualified under section 245C.14; or

(2) the individual is disqualified, but the individual has been issued a set-aside of the disqualification for that setting under section 245C.22.

Subd. 2d. Conditions of payment; commissioner's right to suspend or terminate agreement. (a) Group residential housing or supplementary services must be provided to the satisfaction of the commissioner, as determined at the sole discretion of the commissioner's authorized representative, and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations, including business registration requirements of the Office of the Secretary of State. A provider shall not receive payment for services or housing found by the commissioner to be performed or provided in violation of federal, state, or local law, ordinance, rule, or regulation.

(b) The commissioner has the right to suspend or terminate the agreement immediately when the commissioner determines the health or welfare of the housing or service recipients is endangered, or when the commissioner has reasonable cause to believe that the provider has breached a material term of the agreement under subdivision 2b.

(c) Notwithstanding paragraph (b), if the commissioner learns of a curable material breach of the agreement by the provider, the commissioner shall provide the provider with a written notice of the breach and allow ten days to cure the breach. If the provider does not cure the breach within the time allowed, the provider shall be in default of the agreement and the commissioner may terminate the agreement immediately thereafter. If the provider has breached a material term of the agreement and cure is not possible, the commissioner may immediately terminate the agreement.

Subd. 2e. Providers holding health or human services licenses. (a) Except for facilities with only a board and lodging license, when group residential housing or supplementary service staff are also operating under a license issued by the Department of Health or the Department of Human Services, the minimum staff qualification requirements for the setting shall be the qualifications listed under the related licensing standards.

(b) A background study completed for the licensed service must also satisfy the background study requirements under this section, if the provider has established the background study contact person according to chapter 245C and as directed by the Department of Human Services.

Subd. 2f. Required services. In licensed and registered settings under subdivision 2a, providers shall ensure that participants have at a minimum:

(1) food preparation and service for three nutritional meals a day on site;

(2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or service;

(3) housekeeping, including cleaning and lavatory supplies or service; and

(4) maintenance and operation of the building and grounds, including heat, water, garbage removal, electricity, telephone for the site, cooling, supplies, and parts and tools to repair and maintain equipment and facilities.

Subd. 2g. Crisis shelters. Secure crisis shelters for battered women and their children designated by the Minnesota Department of Corrections are not group residences under this chapter.

Subd. 3. Moratorium on development of group residential housing beds. (a) ~~County~~ Agencies shall not enter into agreements for new group residential housing beds with total rates in excess of the MSA equivalent rate except:

(1) for group residential housing establishments licensed under Minnesota Rules, parts 9525.0215 to 9525.0355, provided the facility is needed to meet the census reduction targets for persons with developmental disabilities at regional treatment centers;

(2) up to 80 beds in a single, specialized facility located in Hennepin County that will provide housing for chronic inebriates who are repetitive users of detoxification centers and are refused placement in emergency shelters because of their state of intoxication, and planning for the specialized facility must have been initiated before July 1, 1991, in anticipation of receiving a grant from the Housing Finance Agency under section 462A.05, subdivision 20a, paragraph (b);

(3) notwithstanding the provisions of subdivision 2a, for up to 190 supportive housing units in Anoka, Dakota, Hennepin, or Ramsey County for homeless adults with a mental illness, a history of substance abuse, or human immunodeficiency virus or acquired immunodeficiency syndrome. For purposes of this section, "homeless adult" means a person who is living on the street or in a shelter or discharged from a regional treatment center, community hospital, or residential treatment program and has no appropriate housing available and lacks the resources and support necessary to access appropriate housing. At least 70 percent of the supportive housing units must serve homeless adults with mental illness, substance abuse problems, or human immunodeficiency virus or acquired immunodeficiency syndrome who are about to be or, within the previous six months, has been discharged from a regional treatment center, or a state-contracted psychiatric bed in a community hospital, or a residential mental health or chemical dependency treatment program. If a person meets the requirements of subdivision 1, paragraph (a), and receives a federal or state housing subsidy, the group residential housing rate for that person is limited to the supplementary rate under section 256I.05, subdivision 1a, and is determined by subtracting the amount of the person's countable income that exceeds the MSA equivalent rate from the group residential housing supplementary rate. A resident in a demonstration project site who no longer participates in the demonstration program shall retain eligibility for a group residential housing payment in an amount determined under section 256I.06, subdivision 8, using the MSA equivalent rate. Service funding under section 256I.05, subdivision 1a, will end June 30, 1997, if federal matching funds are available and the services can be provided through a managed care entity. If federal matching funds are not available, then service funding will continue under section 256I.05, subdivision 1a;

(4) for an additional two beds, resulting in a total of 32 beds, for a facility located in Hennepin County providing services for recovering and chemically dependent men that has had a group residential housing contract with the county and has been licensed as a board and lodge facility with special services since 1980;

(5) for a group residential housing provider located in the city of St. Cloud, or a county contiguous to the city of St. Cloud, that operates a 40-bed facility, that received financing through the Minnesota Housing Finance Agency Ending Long-Term Homelessness Initiative and serves chemically dependent clientele, providing 24-hour-a-day supervision;

(6) for a new 65-bed facility in Crow Wing County that will serve chemically dependent persons, operated by a group residential housing provider that currently operates a 304-bed facility in Minneapolis, and a 44-bed facility in Duluth;

(7) for a group residential housing provider that operates two ten-bed facilities, one located in Hennepin County and one located in Ramsey County, that provide community support and 24-hour-a-day supervision to serve the mental health needs of individuals who have chronically lived unsheltered; and

(8) for a group residential facility in Hennepin County with a capacity of up to 48 beds that has been licensed since 1978 as a board and lodging facility and that until August 1, 2007, operated as a licensed chemical dependency treatment program.

(b) ~~A county~~ An agency may enter into a group residential housing agreement for beds with rates in excess of the MSA equivalent rate in addition to those currently covered under a group residential housing agreement if the additional beds are only a replacement of beds with rates in excess of the MSA equivalent rate which have been made available due to closure of a setting, a change of licensure or certification which removes the beds from group residential housing payment, or as a result of the downsizing of a group residential housing setting. The transfer of available beds from one ~~county~~ agency to another can only occur by the agreement of both ~~counties~~ agencies.

Subd. 4. **Rental assistance.** For participants in the Minnesota supportive housing demonstration program under subdivision 3, paragraph (a), clause (5), notwithstanding the provisions of section 256I.06, subdivision 8, the amount of the group residential housing payment for room and board must be calculated by subtracting 30 percent of the recipient's adjusted income as defined by the United States Department of Housing and Urban Development for the Section 8 program from the fair market rent established for the recipient's living unit by the federal Department of Housing and Urban Development. This payment shall be regarded as a state housing subsidy for the purposes of subdivision 3. Notwithstanding the provisions of section 256I.06, subdivision 6, the recipient's countable income will only be adjusted when a change of greater than \$100 in a month occurs or upon annual redetermination of eligibility, whichever is sooner. ~~The commissioner is directed to study the feasibility of developing a rental assistance program to serve persons traditionally served in group residential housing settings and report to the legislature by February 15, 1999.~~

EFFECTIVE DATE. Subdivision 1, paragraph (b), is effective September 1, 2015.

Sec. 21. Minnesota Statutes 2014, section 256I.05, subdivision 1c, is amended to read:

Subd. 1c. **Rate increases.** ~~A county~~ An agency may not increase the rates negotiated for group residential housing above those in effect on June 30, 1993, except as provided in paragraphs (a) to (f).

(a) ~~A county~~ An agency may increase the rates for group residential housing settings to the MSA equivalent rate for those settings whose current rate is below the MSA equivalent rate.

(b) ~~A county~~ An agency may increase the rates for residents in adult foster care whose difficulty of care has increased. The total group residential housing rate for these residents must not exceed the maximum rate specified in subdivisions 1 and 1a. ~~County~~ Agencies must not include nor increase group residential housing difficulty of care rates for adults in foster care whose difficulty of care is eligible for funding by home and community-based waiver programs under title XIX of the Social Security Act.

(c) The room and board rates will be increased each year when the MSA equivalent rate is adjusted for SSI cost-of-living increases by the amount of the annual SSI increase, less the amount of the increase in the medical assistance personal needs allowance under section 256B.35.

(d) When a group residential housing rate is used to pay for an individual's room and board, or other costs necessary to provide room and board, the rate payable to the residence must continue for up to 18 calendar days per incident that the person is temporarily absent from the residence, not to exceed 60 days in a calendar year, if the absence or absences have received the prior approval of the county agency's social service staff. Prior approval is not required for emergency absences due to crisis, illness, or injury.

(e) For facilities meeting substantial change criteria within the prior year. Substantial change criteria exists if the group residential housing establishment experiences a 25 percent increase or decrease in the total number of its beds, if the net cost of capital additions or improvements is in excess of 15 percent of the current market value of the residence, or if the residence physically moves, or changes its licensure, and incurs a resulting increase in operation and property costs.

(f) Until June 30, 1994, ~~a county an~~ agency may increase by up to five percent the total rate paid for recipients of assistance under sections 256D.01 to 256D.21 or 256D.33 to 256D.54 who reside in residences that are licensed by the commissioner of health as a boarding care home, but are not certified for the purposes of the medical assistance program. However, an increase under this clause must not exceed an amount equivalent to 65 percent of the 1991 medical assistance reimbursement rate for nursing home resident class A, in the geographic grouping in which the facility is located, as established under Minnesota Rules, parts 9549.0050 to 9549.0058.

Sec. 22. Minnesota Statutes 2014, section 256I.05, subdivision 1g, is amended to read:

Subd. 1g. **Supplementary service rate for certain facilities.** ~~On or after July 1, 2005, a county An~~ agency may negotiate a supplementary service rate for recipients of assistance under section 256I.04, subdivision 1, paragraph (a) or (b), who ~~relocate from a homeless shelter licensed and registered prior to December 31, 1996, by the Minnesota Department of Health under section 157.17, to have experienced long-term homelessness and who live in a supportive housing establishment developed and funded in whole or in part with funds provided specifically as part of the plan to end long-term homelessness required under Laws 2003, chapter 128, article 15, section 9, not to exceed \$456.75 under section 256I.04, subdivision 2a, paragraph (b), clause (2).~~

Sec. 23. Minnesota Statutes 2014, section 256I.06, subdivision 2, is amended to read:

Subd. 2. **Time of payment.** A county agency may make payments to a group residence in advance for an individual whose stay in the group residence is expected to last beyond the calendar month for which the payment is made ~~and who does not expect to receive countable earned income during the month for which the payment is made.~~ Group residential housing payments made by a county agency on behalf of an individual who is not expected to remain in the group residence beyond the month for which payment is made must be made subsequent to the individual's departure from the group residence. ~~Group residential housing payments made by a county agency on behalf of an individual with countable earned income must be made subsequent to receipt of a monthly household report form.~~

EFFECTIVE DATE. This section is effective April 1, 2016.

Sec. 24. Minnesota Statutes 2014, section 256I.06, subdivision 6, is amended to read:

Subd. 6. **Reports.** Recipients must report changes in circumstances that affect eligibility or group residential housing payment amounts, other than changes in earned income, within ten days of the change. Recipients with countable earned income must complete a ~~monthly~~ household report form at least once every six months. If the report form is not received before the end of the month in which it is due, the county agency must terminate eligibility for group residential housing payments. The termination shall be effective on the first day of the month following the month in which the report was due. If a complete report is received within the month eligibility was terminated, the individual is considered to have continued an application for group residential housing payment effective the first day of the month the eligibility was terminated.

EFFECTIVE DATE. This section is effective April 1, 2016.

Sec. 25. Minnesota Statutes 2014, section 256I.06, subdivision 7, is amended to read:

Subd. 7. **Determination of rates.** The agency in the county in which a ~~group~~ residence is located ~~will shall~~ determine the amount of group residential housing rate to be paid on behalf of an individual in the ~~group~~ residence regardless of the individual's ~~county~~ agency of financial responsibility.

Sec. 26. Minnesota Statutes 2014, section 256I.06, subdivision 8, is amended to read:

Subd. 8. **Amount of group residential housing payment.** (a) The amount of a group residential housing payment to be made on behalf of an eligible individual is determined by subtracting the individual's countable income under section 256I.04, subdivision 1, for a whole calendar month from the group residential housing charge for that same month. The group residential housing charge is determined by multiplying the group residential housing rate times the period of time the individual was a resident or temporarily absent under section 256I.05, subdivision 1c, paragraph (d).

(b) For an individual with earned income under paragraph (a), prospective budgeting must be used to determine the amount of the individual's payment for the following six-month period. An increase in income shall not affect an individual's eligibility or payment amount until the month following the reporting month. A decrease in income shall be effective the first day of the month after the month in which the decrease is reported.

EFFECTIVE DATE. Paragraph (b) is effective April 1, 2016."

Page 189, after line 5, insert:

"Sec. 28. **[256M.41] CHILD PROTECTION GRANT ALLOCATION.**

Subdivision 1. **Formula for county staffing funds.** The commissioner shall allocate state funds appropriated under this section to each county board on a calendar year basis in an amount determined according to the following formula:

(1) 25 percent must be distributed on the basis of the number of screened-out reports of child maltreatment under sections 626.556 and 626.5561, and in the county as determined by the most recent data of the commissioner;

(2) 25 percent must be distributed on the basis of the number of screened-in reports of child maltreatment under sections 626.556 and 626.5561, and in the county as determined by the most recent data of the commissioner; and

(3) 50 percent must be distributed on the basis of the number of open child protection case management cases in the county as determined by the most recent data of the commissioner.

Subd. 2. **Prohibition on supplanting existing funds.** Funds received under this section must be used to address staffing for child protection or expand child protection services. Funds must not be used to supplant current county expenditures for these purposes.

Subd. 3. **Payments based on performance.** (a) The commissioner shall make payments under this section to each county board on a calendar year basis in an amount determined under paragraph (b).

(b) Calendar year allocations under subdivision 1 shall be paid to counties in the following manner:

(1) 80 percent of the allocation as determined in subdivision 1 must be paid to counties on or before July 10 of each year;

(2) ten percent of the allocation shall be withheld until the commissioner determines if the county has met the performance outcome threshold of 90 percent based on face-to-face contact with alleged child victims. In order to receive the performance allocation, the county child protection workers must have a timely face-to-face contact with at least 90 percent of all alleged child victims of screened-in maltreatment reports. The standard requires that each initial face-to-face contact occur consistent with timelines defined in section 626.556, subdivision 10, paragraph (i). The commissioner shall make threshold determinations in January of each year and payments to counties meeting the performance outcome threshold shall occur in February of each year. Any withheld funds from this appropriation for counties that do not meet this requirement shall be reallocated by the commissioner to those counties meeting the requirement; and

(3) ten percent of the allocation shall be withheld until the commissioner determines that the county has met the performance outcome threshold of 90 percent based on face-to-face visits by the case manager. In order to receive the performance allocation, the total number of visits made by caseworkers on a monthly basis to children in foster care and children receiving child protection services while residing in their home must be at least 90 percent of the total number of such visits that would occur if every child were visited once per month. The commissioner shall make such determinations in January of each year and payments to counties meeting the performance outcome threshold shall occur in February of each year. Any withheld funds from this appropriation for counties that do not meet this requirement shall be reallocated by the commissioner to those counties meeting the requirement.

(c) The commissioner shall work with stakeholders and the Human Services Performance Council under section 402A.16 to develop recommendations for specific outcome measures that counties should meet in order to receive funds withheld under paragraph (b), and include in those recommendations a determination as to whether the performance measures under paragraph (b) should be modified or phased out. The commissioner shall report the recommendations to the legislative committees having jurisdiction over child protection issues by January 1, 2018."

Page 189, line 27, delete "3" and insert "2"

Page 193, after line 13, insert:

"Sec. 34. Minnesota Statutes 2014, section 257.75, subdivision 3, is amended to read:

Subd. 3. **Effect of recognition.** (a) Subject to subdivision 2 and section 257.55, subdivision 1, paragraph (g) or (h), the recognition has the force and effect of a judgment or order determining the existence of the parent and child relationship under section 257.66. If the conditions in section 257.55, subdivision 1, paragraph (g) or (h), exist, the recognition creates only a presumption of paternity for purposes of sections 257.51 to 257.74. Once a recognition has been properly executed and filed with the state registrar of vital statistics, if there are no competing presumptions of paternity, a judicial or administrative court may not allow further action to determine parentage regarding the signator of the recognition. An action to determine custody and parenting time may be commenced pursuant to chapter 518 without an adjudication of parentage. ~~Until a~~ temporary or permanent order is entered granting custody to another, the mother has sole custody.

(b) Following commencement of an action to determine custody or parenting time under chapter 518, the court may, pursuant to section 518.131, grant temporary parenting time rights and temporary custody to either parent.

(c) The recognition is:

(1) a basis for bringing an action for the following:

(i) to award temporary custody or parenting time pursuant to section 518.131;

(ii) to award permanent custody or parenting time to either parent;_;

(iii) establishing a child support obligation which may include up to the two years immediately preceding the commencement of the action;_;

(iv) ordering a contribution by a parent under section 256.87;~~or~~;

(v) ordering a contribution to the reasonable expenses of the mother's pregnancy and confinement, as provided under section 257.66, subdivision 3;_; or

(vi) ordering reimbursement for the costs of blood or genetic testing, as provided under section 257.69, subdivision 2;

- (2) determinative for all other purposes related to the existence of the parent and child relationship; and
- (3) entitled to full faith and credit in other jurisdictions.

Sec. 35. Minnesota Statutes 2014, section 257.75, subdivision 5, is amended to read:

Subd. 5. **Recognition form.** (a) The commissioner of human services shall prepare a form for the recognition of parentage under this section. In preparing the form, the commissioner shall consult with the individuals specified in subdivision 6. The recognition form must be drafted so that the force and effect of the recognition, the alternatives to executing a recognition, and the benefits and responsibilities of establishing paternity, and the limitations of the recognition of parentage for purposes of exercising and enforcing custody or parenting time are clear and understandable. The form must include a notice regarding the finality of a recognition and the revocation procedure under subdivision 2. The form must include a provision for each parent to verify that the parent has read or viewed the educational materials prepared by the commissioner of human services describing the recognition of paternity. The individual providing the form to the parents for execution shall provide oral notice of the rights, responsibilities, and alternatives to executing the recognition. Notice may be provided by audiotape, videotape, or similar means. Each parent must receive a copy of the recognition.

(b) The form must include the following:

(1) a notice regarding the finality of a recognition and the revocation procedure under subdivision 2;

(2) a notice, in large print, that the recognition does not establish an enforceable right to legal custody, physical custody, or parenting time until such rights are awarded pursuant to a court action to establish custody and parenting time;

(3) a notice stating that when a court awards custody and parenting time under chapter 518, there is no presumption for or against joint physical custody, except when domestic abuse, as defined in section 518B.01, subdivision 2, paragraph (a), has occurred between the parties;

(4) a notice that the recognition of parentage is a basis for:

(i) bringing a court action to award temporary or permanent custody or parenting time;

(ii) establishing a child support obligation that may include the two years immediately preceding the commencement of the action;

(iii) ordering a contribution by a parent under section 256.87;

(iv) ordering a contribution to the reasonable expenses of the mother's pregnancy and confinement, as provided under section 257.66, subdivision 3; and

(v) ordering reimbursement for the costs of blood or genetic testing, as provided under section 257.69, subdivision 2; and

(5) a provision for each parent to verify that the parent has read or viewed the educational materials prepared by the commissioner of human services describing the recognition of paternity.

(c) The individual providing the form to the parents for execution shall provide oral notice of the rights, responsibilities, and alternatives to executing the recognition. Notice may be provided in audio or video format, or by other similar means. Each parent must receive a copy of the recognition."

Page 208, after line 26, insert:

"Sec. 50. Minnesota Statutes 2014, section 518A.26, subdivision 14, is amended to read:

Subd. 14. **Obligor.** "Obligor" means a person obligated to pay maintenance or support. ~~A person who has primary physical custody of a child is presumed not to be an obligor for purposes of a child support order under section 518A.34, unless section 518A.36, subdivision 3, applies or the court makes specific written findings to overcome this presumption.~~ For purposes of ordering medical support under section 518A.41, a parent who has primary physical custody of a child may be an obligor subject to a payment agreement under section 518A.69."

Page 214, after line 31, insert:

"Sec. 59. Minnesota Statutes 2014, section 518A.43, is amended by adding a subdivision to read:

Subd. 1a. **Income disparity between parties.** The court may deviate from the presumptive child support obligation under section 518A.34 and elect not to order a party who has between ten and 45 percent parenting time to pay basic support where such a significant disparity of income exists between the parties that an order directing payment of basic support would be detrimental to the parties' joint child."

Page 219, after line 17, insert:

"Sec. 63. **[518A.685] CONSUMER REPORTING AGENCY; REPORTING ARREARS.**

(a) If a public authority determines that an obligor has not paid the current monthly support obligation plus any required arrearage payment for three months, the public authority must report this information to a consumer reporting agency.

(b) Before reporting that an obligor is in arrears for court-ordered child support, the public authority must:

(1) provide written notice to the obligor that the public authority intends to report the arrears to a consumer reporting agency; and

(2) mail the written notice to the obligor's last known mailing address at least 30 days before the public authority reports the arrears to a consumer reporting agency.

(c) The obligor may, within 21 days of receipt of the notice, do the following to prevent the public authority from reporting the arrears to a consumer reporting agency:

(1) pay the arrears in full; or

(2) request an administrative review. An administrative review is limited to issues of mistaken identity, a pending legal action involving the arrears, or an incorrect arrears balance.

(d) If the public authority has reported that an obligor is in arrears for court-ordered child support and subsequently determines that the obligor has paid the court-ordered child support arrears in full, or is paying the current monthly support obligation plus any required arrearage payment, the public authority must report to the consumer reporting agency that the obligor is currently paying child support as ordered by the court.

(e) A public authority that reports arrearage information under this section must make monthly reports to a consumer reporting agency. The monthly report must be consistent with credit reporting industry standards for child support.

(f) For purposes of this section, "consumer reporting agency" has the meaning given in section 13C.001, subdivision 4, and United States Code, title 15, section 1681a (f)."

Page 252, after line 12, insert:

"Sec. 94. INSTRUCTIONS TO THE COMMISSIONER; CHILD MALTREATMENT SCREENING GUIDELINES.

(a) No later than August 1, 2015, the commissioner of human services shall update the child maltreatment screening guidelines to require agencies to consider prior reports that were not screened in when determining whether a new report will or will not be screened in. The updated guidelines must emphasize that intervention and prevention efforts are to focus on child safety and the ongoing risk of child abuse or neglect, and that the health and safety of children are of paramount concern. The commissioner shall work with a diverse group of community representatives who are experts on limiting cultural and ethnic bias when developing the updated guidelines. The guidelines must be developed with special sensitivity to reducing system bias with regard to screening and assessment tools.

(b) No later than September 30, 2015, the commissioner shall publish and distribute the updated guidelines and ensure that all agency staff have received training on the updated guidelines.

(c) Agency staff must implement the guidelines by October 1, 2015.

Sec. 95. COMMISSIONER'S DUTY TO PROVIDE TRAINING TO CHILD PROTECTION SUPERVISORS.

The commissioner shall establish requirements for competency-based initial training, support, and continuing education for child protection supervisors. This includes developing a set of competencies specific to child protection supervisor knowledge, skills, and attitudes based on the Minnesota Child Welfare Practice Model. Competency-based training of supervisors must advance continuous emphasis and improvement in skills that promote the use of the client's culture as a resource and the ability to integrate the client's traditions, customs, values, and faith into service delivery.

Sec. 96. CHILD PROTECTION UPDATED FORMULA.

The commissioner of human services shall evaluate the formulas in Minnesota Statutes, section 256M.41, and recommend an updated equitable distribution formula beginning in fiscal year 2018, for funding child protection staffing and expanded services to counties and tribes, taking into consideration any relief to counties and tribes for child welfare and foster care costs, additional tribes delivering social services, and any other relevant information that should be considered in developing a new distribution formula. The commissioner shall report to the legislative committees having jurisdiction over child protection issues by December 15, 2016.

Sec. 97. LEGISLATIVE TASK FORCE; CHILD PROTECTION.

(a) A legislative task force is created to:

(1) review the efforts being made to implement the recommendations of the Governor's Task Force on the Protection of Children;

(2) expand the efforts into related areas of the child welfare system;

(3) work with the commissioner and community partners to establish and evaluate child protection grants to address disparities in child welfare pursuant to Minnesota Statutes, section 256E.28; and

(4) identify additional areas within the child welfare system that need to be addressed by the legislature.

(b) The four legislative members of the governor's task force shall be the members of the legislative task force. They may appoint up to eight legislators as ex officio members of the task force.

(c) The task force may provide oversight and monitoring of:

(1) the efforts by the Department of Human Services, counties, and tribes to implement laws related to child protection;

(2) efforts by the Department of Human Services, counties, and tribes to implement the recommendations of the Governor's Task Force on the Protection of Children;

(3) efforts by agencies, including but not limited to the Minnesota Department of Education, the Minnesota Housing Finance Agency, the Minnesota Department of Corrections, and the Minnesota Department of Public Safety, to work with the Department of Human Services to assure safety and well-being for children at risk of harm or children in the child welfare system;

(4) efforts by the Department of Human Services, other agencies, counties, and tribes to implement best practices to ensure every child is protected from maltreatment and neglect and to ensure every child has the opportunity for healthy development.

(d) The task force, in cooperation with the commissioner of human services, shall issue a report to the legislature and governor February 1, 2016, and February 1, 2017. The report must contain information on the progress toward implementation of changes to the child protection system; recommendations for additional legislative changes and procedures affecting child protection and child welfare; and funding needs to implement recommended changes.

(e) The task force shall convene upon enactment of this act and shall continue until the last day of the 2017 legislative session."

Page 347, line 14, delete "6,566,880,000" and insert "6,780,637,000" and delete "6,810,134,000" and insert "6,830,093,000"

Page 347, line 17, delete "5,512,542,000" and insert "5,530,299,000" and delete "5,933,299,000" and insert "5,953,258,000"

Page 347, line 20, delete "773,037,000" and insert "969,037,000"

Page 350, line 27, delete ", subdivision 2,"

Page 350, line 28, delete "and subdivision 3"

Page 351, delete subdivisions 2 and 3

Renumber the subdivisions in sequence

Page 352, line 5, delete "87,378,000" and insert "87,842,000" and delete "82,619,000" and insert "82,809,000"

Page 353, line 5, delete "6,681,000" and insert "8,476,000" and delete "6,649,000" and insert "8,267,000"

Page 354, line 2, delete "16,346,000" and insert "15,932,000" and delete "19,964,000" and insert "20,036,000"

Page 354, line 6, delete "25,661,000" and insert "25,786,000"

Page 354, after line 8, insert:

"Nursing Facilities. \$890,000 in fiscal year 2016 is from the general fund for the nursing facility property rate setting appraisals and study. This is a onetime appropriation."

Page 355, line 6, delete "156,027,000" and insert "155,753,000" and delete "168,021,000" and insert "167,194,000"

Page 355, line 13, delete "4,188,973,000" and insert "4,180,159,000" and delete "4,573,183,000" and insert "4,565,620,000"

Page 355, line 14, delete "496,374,000" and insert "692,374,000"

Page 355, delete lines 15 to 18 and insert:

"Contingent Rate Reductions. If the commissioner determines that contract negotiations to reduce managed care and county-based purchasing plan administrative costs, and implementation of statewide competitive bidding, will not achieve a state general fund savings of \$150,000,000 for the biennium beginning July 1, 2015, the commissioner shall calculate an estimate of the shortfall in savings, and, for the fiscal year beginning July 1, 2016, shall reduce medical assistance provider payment rates, including but not limited to rates to individual health care providers and provider agencies, hospitals, other residential settings, and capitation rates provided to managed care and county-based purchasing plans, but excluding nursing facilities, by the amount necessary to recoup the shortfall in savings over that fiscal year.

Base Adjustment. The health care access fund base for medical assistance is \$476,236,000 in fiscal year 2018 and \$275,118,000 in fiscal year 2019."

Page 356, line 7, delete "14,015,000" and insert "39,015,000" and delete "13,665,000" and insert "38,665,000"

Page 358, line 31, delete "1,725,000" and insert "3,069,000"

Page 363, line 13, delete "156,130,000" and insert "156,186,000" and delete "154,270,000" and insert "154,326,000"

Page 363, line 16, delete "89,295,000" and insert "89,351,000" and delete "88,022,000" and insert "88,078,000"

Page 363, line 26, delete "69,956,000" and insert "70,012,000" and delete "68,691,000" and insert "68,747,000"

Page 365, delete lines 16 to 21 and insert:

"(i) \$250,000 in fiscal year 2016 is from the general fund for a grant to a community health center to partner with a nonprofit organization that helps Somali women, for the community health center and nonprofit organization to do the following:

(1) choose a primary care physician;

(2) provide high quality, compassionate, and ethically sound health care services to all;

(3) engage in dialogue with patients to determine their care expectations;

(4) counsel patients regarding the benefits of preventative health care and early screening, intervention, and treatment; and

(5) advocate for increased public awareness of the benefits of preventative health care and early screening and intervention.

The community health center shall report the progress of the nonprofit organization to the commissioner by July 1, 2016. This is a onetime appropriation."

Page 366, delete lines 14 to 22 and 29 to 35

Page 367, delete lines 1 to 5

Reletter the paragraphs in sequence

Page 371, line 21, delete "These funds shall be used to pay costs in the MinnesotaCare"

Page 371, delete line 22

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the first comma, insert "group residential housing,"

Page 1, line 12, delete everything after the semicolon

Page 1, line 13, delete "payments;"

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. 2213, A bill for an act relating to horse racing; modifying rulemaking authority of commission; amending Minnesota Statutes 2014, section 240.23.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[16A.0565] CENTRALIZED TRACKING LIST OF AGENCY PROJECTS.**

Subdivision 1. Centralized tracking. The commissioner must maintain a centralized tracking list of new agency projects estimated to cost more than \$100,000 that are paid for from the general fund.

Subd. 2. New agency project. (a) For purposes of this section, a "new agency project" means:

(1) any new agency program or activity with more than \$100,000 in funding from the general fund; and

(2) any preexisting agency program or activity with an increase of \$100,000 or more above the base level in general fund support.

(b) For purposes of this section, a new agency project does not include:

(1) general aid programs for units of local government or entitlement programs providing assistance to individuals; or

(2) a new program or activity or increase in a program or activity that is mandated by law.

Subd. 3. Transparency requirements. The centralized tracking list maintained by the commissioner must report the following for each new agency project:

(1) the name of the agency and title of the project;

(2) a brief description of the project and its purposes;

(3) the extent to which the project has been implemented; and

(4) the amount of money that has been spent on the project.

Subd. 4. Timing and reporting. The commissioner must display the information required by subdivision 3 on the department's Web site. The list shall be maintained in a widely available and common document format such as a spreadsheet, that does not require any new costs to develop. The commissioner must report this information to the chairs of the house of representatives Ways and Means Committee and the senate Finance Committee quarterly, and must update the information on the Web site at least quarterly.

Sec. 2. Minnesota Statutes 2014, section 16A.103, is amended by adding a subdivision to read:

Subd. 1h. Revenue uncertainty information. The commissioner shall report to the legislature within 14 days of a forecast under subdivision 1 on uncertainty in Minnesota's general fund revenue projections. The report shall present information on:

(1) the estimated range of forecast error for revenues; and

(2) the data and methods used to construct those measurements.

Sec. 3. Minnesota Statutes 2014, section 16B.371, is amended to read:

16B.371 ASSISTANCE TO SMALL AGENCIES.

(a) The commissioner ~~may~~ **must** provide administrative support services to a small ~~agencies~~ agency requesting these services. To promote efficiency and cost-effective use of state resources, and to improve financial controls, the commissioner may require a small agency to receive administrative support services through the Department of Administration or through another agency designated by the commissioner. Services subject to this section include finance, accounting, payroll, purchasing, human resources, and other services designated by the commissioner. The commissioner may determine what constitutes a small agency for purposes of this section. The commissioner, in consultation with the commissioner of management and budget and small agencies, shall evaluate small agencies' needs for administrative support services. If the commissioner provides administrative support services to a small agency, the commissioner must enter into a service level agreement with the agency, specifying the services to be provided and the costs and anticipated outcomes of the services.

(b) The Chicano Latino Affairs Council, the Council on Black Minnesotans, the Council on Asian-Pacific Minnesotans, the Indian Affairs Council, and the Minnesota State Council on Disability must use the services specified in paragraph (a).

(c) The commissioner of administration may assess agencies for services it provides under this section. The amounts assessed are appropriated to the commissioner.

(d) For agencies covered in this section, the commissioner has the authority to require the agency to comply with applicable state finance, accounting, payroll, purchasing, and human resources policies. The agencies served retain the ownership and responsibility for spending decisions and for ongoing implementation of appropriate business operations.

Sec. 4. Minnesota Statutes 2014, section 16B.97, subdivision 1, is amended to read:

Subdivision 1. **Grant agreement.** ~~(a)~~ A grant agreement is a written instrument or electronic document defining a legal relationship between a granting agency and a grantee when the principal purpose of the relationship is to transfer cash or something of value to the recipient to support a public purpose authorized by law instead of acquiring by professional or technical contract, purchase, lease, or barter property or services for the direct benefit or use of the granting agency.

~~(b) This section does not apply to capital project grants to political subdivisions as defined by section 16A.86.~~

Sec. 5. **[16B.991] TERMINATION OF GRANT.**

Each grant agreement subject to sections 16B.97 and 16B.98 must provide that the agreement will immediately be terminated if:

(1) the recipient is convicted of a criminal offense relating to a state grant agreement; or

(2) the agency entering into the grant agreement or the commissioner of administration determines that the grant recipient is under investigation by a federal agency, a state agency, or a local law enforcement agency for matters relating to administration of a state grant.

Sec. 6. Minnesota Statutes 2014, section 16C.03, subdivision 16, is amended to read:

Subd. 16. **Delegation of duties.** (a) The commissioner may delegate duties imposed by this chapter to the head of an agency and to any subordinate of the agency head. At least once every three years, the commissioner must audit use of authority under this chapter by each employee to whom the commissioner has delegated duties.

(b) The commissioner must develop guidelines for agencies and employees to whom authority is delegated under this chapter that protect state legal interests. These guidelines may provide for review by the commissioner when a specific contract has potential to put the state's legal interests at risk.

Sec. 7. Minnesota Statutes 2014, section 16E.01, is amended to read:

16E.01 OFFICE OF MN.IT SERVICES.

Subdivision 1. **Creation; chief information officer.** The Office of MN.IT Services, referred to in this chapter as the "office," is an agency in the executive branch headed by a commissioner, who also is the state chief information officer. The appointment of the commissioner is subject to the advice and consent of the senate under section 15.066.

Subd. 1a. **Responsibilities.** The office shall provide oversight, leadership, and direction for information and telecommunications technology policy and the management, delivery, accessibility, and security of information and telecommunications technology systems and services in ~~Minnesota~~ the executive branch of state government. The office shall manage strategic investments in information and telecommunications technology systems and services to encourage the development of a technically literate society, to ensure sufficient access to and efficient delivery of accessible state government services, and to maximize benefits for the state government as an enterprise.

Subd. 2. **Discretionary powers.** The office may:

(1) enter into contracts for goods or services with public or private organizations and charge fees for services it provides;

(2) apply for, receive, and expend money from public agencies;

(3) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;

(4) enter into contracts with agencies of the federal government, local governmental units, the University of Minnesota and other educational institutions, and private persons and other nongovernmental organizations as necessary to perform its statutory duties;

(5) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to information and communications technology issues; and

~~(6) review the technology infrastructure of regions of the state and cooperate with and make recommendations to the governor, legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of information and communications technology infrastructure development potential;~~

~~(7) sponsor, support, and facilitate innovative and collaborative economic and community development and government services projects, including technology initiatives related to culture and the arts, with public and private organizations; and~~

~~(8)~~ (6) review and recommend alternative sourcing strategies for state information and communications systems.

Subd. 3. **Duties.** (a) The office shall:

(1) manage the efficient and effective use of available federal, state, local, and public-private resources to develop statewide information and telecommunications technology systems and services and its infrastructure;

(2) approve state agency and intergovernmental information and telecommunications technology systems and services development efforts involving state or intergovernmental funding, including federal funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;

(3) ensure cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems and services, and define the structure and responsibilities of a representative governance structure;

(4) cooperate and collaborate with the legislative and judicial branches in the development of information and communications systems in those branches;

(5) continue the development of North Star, the state's official comprehensive online service and information initiative;

(6) promote and collaborate with the state's agencies in the state's transition to an effectively competitive telecommunications market;

~~(7) collaborate with entities carrying out education and lifelong learning initiatives to assist Minnesotans in developing technical literacy and obtaining access to ongoing learning resources;~~

~~(8)~~ (7) promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;

~~(9)~~ (8) promote and coordinate electronic commerce initiatives to ensure that Minnesota businesses and citizens can successfully compete in the global economy;

~~(10)~~ (9) manage and promote the regular and periodic reinvestment in the information and telecommunications technology systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

~~(11)~~ (10) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services, electronic data practices and privacy, and electronic commerce among international, national, state, and local public and private organizations;

~~(12)~~ (11) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by state agencies;

~~(13)~~ (12) identify, sponsor, develop, and execute shared information and telecommunications technology projects and ongoing operations;

~~(14)~~ (13) ensure overall security of the state's information and technology systems and services; and

~~(15)~~ (14) manage and direct compliance with accessibility standards for informational technology, including hardware, software, Web sites, online forms, and online surveys.

(b) The chief information officer, in consultation with the commissioner of management and budget, must determine when it is cost-effective for agencies to develop and use shared information and telecommunications technology systems and services for the delivery of electronic government services. The chief information officer may require agencies to use shared information and telecommunications technology systems and services. The chief information officer shall establish reimbursement rates in cooperation with the commissioner of management and budget to be billed to agencies and other governmental entities sufficient to cover the actual development, operating, maintenance, and administrative costs of the shared systems. The methodology for billing may include the use of interagency agreements, or other means as allowed by law.

(c) A state agency that has an information and telecommunications technology project with a total expected project cost of more than ~~\$1,000,000~~ \$100,000, whether funded as part of the biennial budget or by any other means, shall register with the office by submitting basic project startup documentation, as specified by the chief information officer in both format and content, before any project funding is requested or committed and before the project commences. State agency project leaders must demonstrate that the project will be properly managed, provide updates to the project documentation as changes are proposed, and regularly report on the current status of the project on a schedule agreed to with the chief information officer.

~~(d) The chief information officer shall monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project. The audit analysis and evaluation of the projects subject to paragraph (c) must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record. The chief information officer must prepare a monthly progress report for each active information and telecommunications technology project over \$1,000,000. The report must be provided to the technology advisory council and must be available on the office's Web site.~~

(e) For any active information and telecommunications technology project with a total expected project cost of more than \$10,000,000, the state agency must perform an annual independent audit that conforms to published project audit principles promulgated by the office.

(f) The chief information officer shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the office regarding projects the office has reviewed under paragraph (a), clause (13). The report must include the reasons for the determinations made in the review of each project and a description of its current status.

Subd. 4. **Limits.** The office may not enter into any new general or project contracts or other agreements to provide services to political subdivisions. The office may continue to collaborate with and enter into agreements with local subdivisions to create information technology infrastructure, provide connectivity, coordinate government-to-government communications, and provide security support. This subdivision does not prevent political subdivisions from purchasing goods or services from outside vendors through state contracts, and does not prevent political subdivisions from accessing geospatial data maintained by the office.

EFFECTIVE DATE. This section is effective July 1, 2015. The office may not enter into a new contract or other agreement or renew an existing contract or agreement to provide services to political subdivisions in a manner prohibited by subdivision 4 on or after July 1, 2015. The office must end existing contracts and agreements to provide services prohibited by subdivision 4 as soon as this can be done without the office incurring legal liability, and as soon as affected political subdivisions are able to find other sources to provide the services provided by the office.

Sec. 8. Minnesota Statutes 2014, section 16E.016, is amended to read:

16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES AND EQUIPMENT.

(a) The chief information officer is responsible for providing or entering into managed services contracts for the provision, improvement, and development of the following information technology systems and services to state agencies:

- (1) state data centers;
- (2) mainframes including system software;
- (3) servers including system software;
- (4) desktops including system software;
- (5) laptop computers including system software;
- (6) a data network including system software;
- (7) database, electronic mail, office systems, reporting, and other standard software tools;
- (8) business application software and related technical support services;
- (9) help desk for the components listed in clauses (1) to (8);
- (10) maintenance, problem resolution, and break-fix for the components listed in clauses (1) to (8);
- (11) regular upgrades and replacement for the components listed in clauses (1) to (8); and
- (12) network-connected output devices.

(b) All state agency employees whose work primarily involves functions specified in paragraph (a) are employees of the Office of MN.IT Services. This includes employees who directly perform the functions in paragraph (a), as well as employees whose work primarily involves managing, supervising, or providing administrative services or support services to employees who directly perform these functions. The chief information officer may assign employees of the office to perform work exclusively for another state agency.

(c) ~~Subject to sections 16C.08 and 16C.09, the chief information officer may allow a state agency to obtain services specified in paragraph (a) through a contract with an outside vendor when the chief information officer and the agency head agree that a contract would provide best value, as defined in section 16C.02, under the service level agreement. A state agency must enter into a service-level agreement with the chief information officer for provision of services specified in paragraph (a), or must obtain some or all of these services through an outside vendor. Before entering into a service-level agreement or outside vendor contract, an agency must solicit proposals from the office and from at least one outside vendor. If the cost of the proposal from the office is more than six percent higher than the cost of a proposal from an outside vendor, the agency may enter into a contract with an outside vendor, notwithstanding sections 16C.08, subdivision 2, clause (1); 16C.09, paragraph (a), clause (1); and 43A.047.~~ The chief information officer must require that agency contracts with outside vendors ensure that systems and services are compatible with standards established by the Office of MN.IT Services. The standards may include analysis of differences in future cost uncertainties, compliance with security requirements, compliance with hardware and service standards common in other state offices, ability to comply with legal, accessibility, and transparency requirements, and compliance with quality standards common to other state offices. The term of a

service-level agreement or a contract under this paragraph is subject to the limits in section 16C.06, subdivision 3b. However, the chief information officer may provide that the term of the first agreement or contract entered into after the effective date of this section may be longer, as the chief information officer determines is necessary to establish a system under which agency agreements and contracts will expire according to a staggered schedule. A service-level agreement or contract may not be for a term of more than six years. A contract longer than four years must be followed by a contract of less than four years.

(d) The chief information officer may authorize a state agency office located outside of the seven-county metropolitan area to solicit proposals from MN.IT services and from an outside vendor separately from the rest of the agency.

(e) An agency may not enter into a contract for information technology systems or services of more than \$100,000 with an outside vendor without approval of the chief information officer.

(f) The Minnesota State Retirement System, the Public Employees Retirement Association, the Teachers Retirement Association, the State Board of Investment, the Campaign Finance and Public Disclosure Board, the State Lottery, and the Statewide Radio Board are not state agencies for purposes of this section.

Sec. 9. **[16E.034] ANNUAL REPORT ON INFORMATION TECHNOLOGY SPENDING.**

(a) The chief information officer, in consultation with the commissioner of management and budget, must report by September 1 each year on:

(1) total state agency spending on information technology in the prior fiscal year, and planned state agency spending on information technology in the current fiscal year; and

(2) individual state agency spending on information technology in the prior fiscal year, and planned spending on information technology in the current fiscal year.

(b) The report in paragraph (a) on total state agency and individual agency spending and proposed spending must show amounts spent and anticipated to be spent in each of the following categories:

(1) new technology projects, or enhancement of existing projects, of more than \$100,000;

(2) business as usual and minor enhancements; and

(3) infrastructure and operations.

(c) The information reported on infrastructure and operations in paragraph (b), clause (3), must be further divided by agency into the following categories:

(1) servers;

(2) messaging and collaboration;

(3) mainframe;

(4) storage;

(5) database, including administration;

(6) technical support;

(7) information security;

(8) directory administration;

(9) architecture;

(10) monitoring; and

(11) change management.

Sec. 10. Minnesota Statutes 2014, section 16E.0465, is amended to read:

16E.0465 TECHNOLOGY APPROVAL.

Subdivision 1. **Application.** This section applies to an appropriation of more than ~~\$1,000,000~~ \$100,000 of state or federal funds to a state agency for any information and telecommunications technology project or for any phase of such a project, device, or system. For purposes of this section, an appropriation of state or federal funds to a state agency includes an appropriation:

- (1) to a constitutional officer;
- (2) for a project that includes both a state agency and units of local government; and
- (3) to a state agency for grants to be made to other entities.

Subd. 2. **Required review and approval.** (a) A state agency receiving an appropriation of more than \$500,000 for an information and telecommunications technology project subject to this section must divide the project into phases.

(b) The commissioner of management and budget may not authorize the encumbrance or expenditure of an appropriation of state funds to a state agency for ~~any~~:

(1) a project if the project is subject to this section, but not divided into phases; or

(2) a phase of a project, device, or system subject to this section, unless the Office of MN.IT Services has reviewed the project or each phase of the project, device, or system, and based on this review, the chief information officer has determined for each project or phase that:

~~(1)~~ (i) the project is compatible with the state information architecture and other policies and standards established by the chief information officer;

~~(2)~~ (ii) the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and

~~(3)~~ (iii) the project supports the enterprise information technology strategy.

Subd. 3. **Monitor progress.** The chief information officer shall monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project. The audit analysis and evaluation of the project must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record.

Sec. 11. Minnesota Statutes 2014, section 16E.14, subdivision 3, is amended to read:

Subd. 3. **Reimbursements.** Except as specifically provided otherwise by law, each agency shall reimburse the MN.IT services revolving fund for the cost of all services, supplies, materials, labor, employee development and training, and depreciation of equipment, including reasonable overhead costs, which the chief information officer is authorized and directed to furnish an agency. The chief information officer shall report the rates to be charged for the revolving fund no later than July 1 each year to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the Office of MN.IT Services.

Sec. 12. Minnesota Statutes 2014, section 16E.145, is amended to read:

16E.145 INFORMATION TECHNOLOGY APPROPRIATION.

An appropriation of more than \$100,000 for a state agency information and telecommunications technology project must be made to the chief information officer. The chief information officer must manage and disburse the appropriation on behalf of the sponsoring state agency. Any appropriation for an information and telecommunications technology project made to a state agency other than the Office of MN.IT Services is transferred to the chief information officer.

Sec. 13. Minnesota Statutes 2014, section 16E.19, is amended by adding a subdivision to read:

Subd. 3. **Data storage.** The chief information officer must establish criteria for storage of state agency data outside of data centers operated by the chief information officer. These criteria must include thresholds for when requests of outside data storage must be approved by the chief information officer.

Sec. 14. Minnesota Statutes 2014, section 240.03, is amended to read:

240.03 COMMISSION POWERS AND DUTIES.

The commission has the following powers and duties:

- (1) to regulate horse racing in Minnesota to ensure that it is conducted in the public interest;
- (2) to issue licenses as provided in this chapter;
- (3) to enforce all laws and rules governing horse racing;
- (4) to collect and distribute all taxes provided for in this chapter;
- (5) to conduct necessary investigations and inquiries and to issue subpoenas to compel the attendance of witnesses and the submission of information, documents, ~~and~~ records, and other evidence it deems necessary to carry out its duties;
- (6) to supervise the conduct of pari-mutuel betting on horse racing;
- (7) to employ and supervise personnel under this chapter;
- (8) to determine the number of racing days to be held in the state and at each licensed racetrack;
- (9) to take all necessary steps to ensure the integrity of racing in Minnesota; and

(10) to impose fees on the racing and card playing industries sufficient to recover the operating costs of the commission with the approval of the legislature according to section 16A.1283. Notwithstanding section 16A.1283, when the legislature is not in session, the commissioner of management and budget may grant interim approval for any new fees or adjustments to existing fees that are not statutorily specified, until such time as the legislature reconvenes and acts upon the new fees or adjustments. As part of its biennial budget request, the commission must propose changes to its fees that will be sufficient to recover the operating costs of the commission.

Sec. 15. Minnesota Statutes 2014, section 240.23, is amended to read:

240.23 RULEMAKING AUTHORITY.

The commission has the authority, in addition to all other rulemaking authority granted elsewhere in this chapter to promulgate rules governing:

(a) the conduct of horse races held at licensed racetracks in Minnesota, including but not limited to the rules of racing, standards of entry, operation of claiming races, filing and handling of objections, carrying of weights, and declaration of official results;

(b) ~~wire~~ wired and wireless communications between the premises of a licensed racetrack and any place outside the premises;

(c) information on horse races which is sold on the premises of a licensed racetrack;

(d) liability insurance which it may require of all class A, class B, and class D licensees;

(e) the auditing of the books and records of a licensee by an auditor employed or appointed by the commission;

(f) emergency action plans maintained by licensed racetracks and their periodic review;

(g) safety, security, and sanitation of stabling facilities at licensed racetracks;

(h) entry fees and other funds received by a licensee in the course of conducting racing which the commission determines must be placed in escrow accounts;

(i) affirmative action in employment and contracting by class A, class B, and class D licensees; ~~and~~

(j) procedures for the sampling and testing of any horse that is eligible to race in Minnesota for substances or practices that are prohibited by law or rule; and

~~(k)~~ (k) any other aspect of horse racing or pari-mutuel betting which in its opinion affects the integrity of racing or the public health, welfare, or safety.

Rules of the commission are subject to chapter 14, the Administrative Procedure Act.

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

Sec. 16. **LIMIT ON EXPENDITURES FOR ADVERTISING.**

During the biennium ending June 30, 2017, an executive branch agency's spending on advertising and promotions may not exceed 90 percent of the amount the agency spent on advertising and promotions during the biennium ending June 30, 2015. The commissioner of management and budget must ensure compliance with this

limit, and may issue guidelines and policies to executive agencies. The commissioner may forbid an agency from engaging in advertising as the commissioner determines is necessary to ensure compliance with this section. This section does not apply to the Minnesota Lottery or Explore Minnesota Tourism. Spending during the biennium ending June 30, 2017, on advertising relating to a declared emergency, an emergency, or a disaster, as those terms are defined in Minnesota Statutes, section 12.03, is excluded for purposes of this section.

Sec. 17. **REPORT ON AGENCY CHIEF INFORMATION OFFICERS.**

The chief information officer of MN.IT must report to the legislature by January 15, 2016, on reduction in the number of chief information officers (CIOs) in state agencies. The report must include the number of CIOs on July 1, 2015, the number on January 15, 2016, and plans to reduce that number.

Sec. 18. **MINNESOTA FILM AND TV BOARD OVERSIGHT TASK FORCE.**

(a) The Minnesota Film and TV Board Oversight Task Force is established and shall include nine members appointed as follows:

(1) the state auditor or designee;

(2) one appointee of the Board of Directors of the Independent Filmmaker Project Minnesota;

(3) one appointee of the board of directors of the Minnesota Film and TV Board;

(4) two appointees from the commissioner of employment and economic development to represent the Minnesota film industry;

(5) two members of the Minnesota house of representatives appointed by the speaker of the house; and

(6) two members of the Minnesota senate appointed pursuant to the rules of the senate.

(b) The Minnesota Film and TV Board Oversight Task Force shall:

(1) review the past funding, administration, policies, and programs of the Minnesota Film and TV Board;

(2) consider proposals to improve the policies, structure, and programs of the Minnesota Film and TV Board; and

(3) recommend improvements to enhance and strengthen the policies, structure, and programs administered by the Minnesota Film and TV Board.

(c) The Minnesota Film and TV Board Oversight Task Force shall report back to the legislative committees with jurisdiction over legacy funds by January 1, 2017, with recommendations developed pursuant to paragraph (b). The task force members shall serve without compensation and all members shall serve at the pleasure of their appointing authority. The task force must meet at least twice a year and the state auditor or the designee of the state auditor shall convene the first meeting no later than September 30, 2015. The task force expires June 30, 2017.

Sec. 19. **REPEALER.**

Minnesota Statutes 2014, section 3.886, is repealed."

Delete the title and insert:

"A bill for an act relating to state government; requiring a tracking list of agency projects; modifying a provision for assistance to small agencies; specifying that grant agreements terminate under certain conditions; requiring an audit when the commissioner delegates authority; changing provisions governing the Office of MN.IT Services; modifying rulemaking authority for pari-mutuel horse racing; limiting agency spending on advertising; requiring a report on the number of state chief information officers; establishing the Minnesota Film and TV Board Oversight Task Force; amending Minnesota Statutes 2014, sections 16A.103, by adding a subdivision; 16B.371; 16B.97, subdivision 1; 16C.03, subdivision 16; 16E.01; 16E.016; 16E.0465; 16E.14, subdivision 3; 16E.145; 16E.19, by adding a subdivision; 240.03; 240.23; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 16E; repealing Minnesota Statutes 2014, section 3.886."

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

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 4, H. F. No. 2213 was re-referred to the Committee on Rules and Legislative Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1638 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 2101 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Torkelson introduced:

H. F. No. 2269, A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; modifying previous appropriations; providing for the sale, conveyance, and disposition of state bond-financed property; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2014, sections 219.166; 462A.37, subdivision 5, by adding a subdivision; Laws 2012, chapter 293, section 3, subdivision 18; Laws 2013, chapter 136, section 4, as amended; Laws 2014, chapter 294, article 1, sections 4, subdivision 3; 15, subdivision 2; 18, subdivisions 3, 4; 21, subdivisions 10, 16, 18; Laws 2014, chapter 295, section 10, subdivision 12; proposing coding for new law in Minnesota Statutes, chapter 16A.

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

The Speaker resumed the Chair.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 406, 878 and 1244.

JOANNE M. ZOFF, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 406, A bill for an act relating to criminal justice; appropriating money for courts, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, sentencing guidelines, public safety, Peace Officer Standards and Training (POST) Board, Private Detective Board, human rights, and corrections; modifying disaster assistance; establishing a minimum fine for a second or subsequent violation of prohibition on use of wireless communications devices while driving; excluding filing of Application for Discharge of Judgment from filing fee; lowering the fee for child support modification motions; establishing and modifying grant programs; requiring reports; amending Minnesota Statutes 2014, sections 12.221, subdivision 6; 12B.15, subdivision 2, by adding a subdivision; 12B.25, subdivision 1; 12B.40; 169.475, subdivision 2; 241.89, subdivision 2; 299A.73, subdivision 2; 299F.012, subdivision 1; 357.021, subdivision 2; 401.10, subdivision 1; Laws 2013, chapter 86, article 1, sections 7; 9.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

S. F. No. 878, A bill for an act relating to criminal justice; lowering the penalty for the performance of acts prohibited by statutes for which no penalty is specified; regulating the possession and purchase of firearms, ammunition, and suppressors; prohibiting a bondsman or bail enforcement agent from wearing uniform or driving vehicle the color of law enforcement; regulating the use of unmanned aerial vehicles by law enforcement agencies; requiring outside law enforcement agencies to investigate peace officer-involved incidents; addressing numerous issues relating to juveniles including diversion, use of restraints, and sentencing; modifying forfeiture laws and how proceeds from the sale of forfeited property are used, what reports are required, and how policies are adopted; establishing the burden of production on the innocent owner claimant and the burden of proof on the prosecutor in an innocent owner forfeiture case involving DWI, designated offenses, controlled substance offenses, fleeing offenses, and prostitution offenses; expanding the homestead exemption in forfeiture cases; restoring the civil right to vote of an individual upon release from incarceration and requiring notice; repealing county attorney obligation to promptly investigate voter registration and eligibility; amending Minnesota Statutes 2014, sections 6.74; 84.7741, subdivision 10; 97A.421, by adding a subdivision; 169.98, by adding a subdivision; 169A.60, subdivision 1; 169A.63, subdivisions 1, 7, 9, 10; 201.014, by adding a subdivision; 201.071, subdivision 1; 201.12, subdivisions 2, 3; 201.13, subdivision 3; 201.14; 201.157; 204C.08, subdivision 1d; 204C.10; 244.05, subdivisions 4, 5; 260B.001, subdivision 2; 260B.125, by adding a subdivision; 260B.130, subdivision 4; 609.02, by adding a subdivision; 609.106, subdivision 2, by adding a subdivision; 609.11, subdivision 9; 609.165; 609.3455, subdivision 2; 609.531, subdivisions 1, 8, by adding subdivisions; 609.5311, subdivision 3; 609.5312, subdivisions 2, 3, 4; 609.5315,

subdivisions 1, 6; 609.5318, subdivision 5; 609.66, subdivisions 1a, 1g; 624.71; 624.712, by adding a subdivision; 624.713, subdivisions 1, 1a, 2, 3, 4; 624.714, subdivision 16; 624.715; 626.88; 645.241; proposing coding for new law in Minnesota Statutes, chapters 5B; 201; 243; 260B; 624; 626; repealing Minnesota Statutes 2014, sections 97B.031, subdivision 4; 201.155; 201.275; 609.66, subdivision 1h.

The bill was read for the first time.

Cornish moved that S. F. No. 878 and H. F. No. 849, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1244, A bill for an act relating to public safety; corrections; requiring persons placed on intensive supervised release from prison to be placed on electronic monitoring immediately upon release; amending Minnesota Statutes 2014, sections 244.05, by adding a subdivision; 244.15, subdivision 6; 260B.198, by adding a subdivision; 631.461.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Peppin moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Kahn was excused between the hours of 4:00 p.m. and 5:00 p.m.

Franson was excused between the hours of 4:00 p.m. and 5:10 p.m.

CALENDAR FOR THE DAY

H. F. No. 846 was reported to the House.

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

The Speaker called Davids to the Chair.

Persell moved to amend H. F. No. 846, the second engrossment, as follows:

Page 115, delete section 128

Renumber the sections in sequence and correct internal references

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

Hausman, Bly and Fischer moved to amend H. F. No. 846, the second engrossment, as follows:

Page 9, delete lines 1 to 5

Page 97, delete section 106

Page 100, delete section 107

Page 120, line 9, delete "; 116.02, subdivisions 7, 8, and 10;"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Adjust amounts accordingly

A roll call was requested and properly seconded.

The question was taken on the Hausman et al amendment and the roll was called. There were 53 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Hortman	Lien	Nelson	Slocum
Anzelc	Dehn, R.	Isaacson	Lillie	Newton	Sundin
Applebaum	Erhardt	Johnson, C.	Loeffler	Norton	Thissen
Atkins	Fischer	Johnson, S.	Mahoney	Persell	Wagenius
Bernardy	Freiberg	Kahn	Mariani	Pinto	Ward
Bly	Hansen	Laine	Masin	Schoen	Winkler
Carlson	Hausman	Lenczewski	Mullery	Schultz	Yarusso
Clark	Hilstrom	Lesch	Murphy, E.	Selcer	Youakim
Considine	Hornstein	Liebling	Murphy, M.	Simonson	

Those who voted in the negative were:

Albright	Dettmer	Hancock	Loonan	O'Driscoll	Schomacker
Anderson, M.	Dill	Heintzeman	Lucero	O'Neill	Scott
Anderson, P.	Drazkowski	Hertaus	Lueck	Pelowski	Smith
Anderson, S.	Erickson	Hoppe	Mack	Peppin	Swedzinski
Backer	Fabian	Howe	Marquart	Petersburg	Theis
Baker	Fenton	Johnson, B.	McDonald	Peterson	Torkelson
Barrett	Franson	Kelly	McNamara	Pierson	Uglen
Bennett	Garofalo	Kiel	Melin	Poppe	Urdahl
Christensen	Green	Knoblach	Metsa	Pugh	Vogel
Cornish	Gruenhagen	Koznick	Miller	Quam	Whelan
Daniels	Gunther	Kresha	Nash	Rarick	Wills
Davids	Hackbarth	Lohmer	Newberger	Runbeck	Zerwas
Dean, M.	Hamilton	Loon	Nornes	Sanders	Spk. Daudt

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

Hansen moved to amend H. F. No. 846, the second engrossment, as follows:

Page 86, delete section 92

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Loeffler	Norton	Wagenius
Anzelc	Erhardt	Johnson, S.	Lohmer	Persell	Ward
Applebaum	Fischer	Kahn	Mahoney	Pinto	Winkler
Atkins	Freiberg	Knobloch	Mariani	Schoen	Yarusso
Bernardy	Hansen	Laine	Masin	Schultz	Youakim
Bly	Hausman	Lenczewski	Mullery	Selcer	
Carlson	Hilstrom	Lesch	Murphy, E.	Simonson	
Clark	Hornstein	Liebling	Murphy, M.	Slocum	
Considine	Hortman	Lien	Nelson	Sundin	
Davnie	Isaacson	Lillie	Newton	Thissen	

Those who voted in the negative were:

Albright	Dettmer	Hancock	Lueck	Pelowski	Smith
Anderson, M.	Dill	Heintzeman	Mack	Peppin	Swedzinski
Anderson, P.	Drazkowski	Hertaus	Marquart	Petersburg	Theis
Anderson, S.	Erickson	Hoppe	McDonald	Peterson	Torkelson
Backer	Fabian	Howe	McNamara	Pierson	Uglen
Baker	Fenton	Johnson, B.	Melin	Poppe	Urdahl
Barrett	Franson	Kelly	Metsa	Pugh	Vogel
Bennett	Garofalo	Kiel	Miller	Quam	Whelan
Christensen	Green	Koznick	Nash	Rarick	Wills
Cornish	Gruenhagen	Kresha	Newberger	Runbeck	Zerwas
Daniels	Gunther	Loon	Nornes	Sanders	Spk. Daudt
Davids	Hackbarth	Loonan	O'Driscoll	Schomacker	
Dean, M.	Hamilton	Lucero	O'Neill	Scott	

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

Hansen moved to amend H. F. No. 846, the second engrossment, as follows:

Page 107, delete section 112

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 52 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Isaacson	Lillie	Newton	Sundin
Applebaum	Erhardt	Johnson, C.	Loeffler	Norton	Thissen
Atkins	Fischer	Johnson, S.	Mahoney	Persell	Wagenius
Bernardy	Freiberg	Kahn	Mariani	Pinto	Ward
Bly	Hansen	Knoblach	Masin	Schoen	Winkler
Carlson	Hausman	Laine	Mullery	Schultz	Yarusso
Clark	Hilstrom	Lenczewski	Murphy, E.	Selcer	Youakim
Considine	Hornstein	Liebling	Murphy, M.	Simonson	
Davnie	Hortman	Lien	Nelson	Slocum	

Those who voted in the negative were:

Albright	Dettmer	Heintzeman	Lueck	Peppin	Theis
Anderson, M.	Dill	Hertaus	Mack	Petersburg	Torkelson
Anderson, P.	Drazkowski	Hoppe	Marquart	Peterson	Uglem
Anderson, S.	Erickson	Howe	McDonald	Pierson	Urdahl
Anzelc	Fabian	Johnson, B.	McNamara	Poppe	Vogel
Baker	Fenton	Kelly	Melin	Pugh	Whelan
Baker	Franson	Kiel	Metsa	Quam	Wills
Barrett	Garofalo	Koznick	Miller	Rarick	Zerwas
Bennett	Green	Kresha	Nash	Runbeck	Spk. Daudt
Christensen	Gruenhagen	Lesch	Newberger	Sanders	
Cornish	Gunther	Lohmer	Nornes	Schomacker	
Daniels	Hackbarth	Loon	O'Driscoll	Scott	
Davids	Hamilton	Loonan	O'Neill	Smith	
Dean, M.	Hancock	Lucero	Pelowski	Swedzinski	

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

Winkler moved to amend H. F. No. 846, the second engrossment, as follows:

Page 7, after line 33, insert:

"\$543,000 the first year and \$826,000 the second year are from the environmental fund to enhance awareness of and reduce priority chemicals in consumer products. Of this amount, \$104,000 the first year and \$124,000 the second year are for transfer to the Department of Commerce and \$104,000 the first year and \$104,000 the second year are for transfer to the Department of Health. This is a onetime appropriation from the environmental fund."

Page 107, after line 2, insert:

"Sec. 112. Minnesota Statutes 2014, section 116.9401, is amended to read:

116.9401 DEFINITIONS.

(a) For the purposes of sections 116.9401 to ~~116.9407~~ 116.9425, the following terms have the meanings given them.

(b) "Agency" means the Pollution Control Agency.

(c) "Alternative" means a substitute process, product, material, chemical, strategy, or combination of these that is technically feasible and serves a functionally equivalent purpose to a chemical in a children's product.

(d) "Chemical" means a substance with a distinct molecular composition or a group of structurally related substances and includes the breakdown products of the substance or substances that form through decomposition, degradation, or metabolism.

(e) "Chemical of high concern" means a chemical identified on the basis of credible scientific evidence by a state, federal, or international agency as being known or suspected with a high degree of probability to:

(1) harm the normal development of a fetus or child or cause other developmental toxicity;

(2) cause cancer, genetic damage, or reproductive harm;

(3) disrupt the endocrine or hormone system;

(4) damage the nervous system, immune system, or organs, or cause other systemic toxicity;

(5) be persistent, bioaccumulative, and toxic; or

(6) be very persistent and very bioaccumulative.

(f) "Child" means a person under 12 years of age.

(g) "Children's product" means a consumer product intended for use by children, such as baby products, toys, car seats, personal care products, and clothing.

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

(i) "Contaminant" means a trace amount of a chemical that is incidental to manufacturing and serves no intended function in the product component. Contaminant includes, but is not limited to, unintended by-products of chemical reactions that occur during the manufacture of the product component, trace impurities in feedstock, incompletely reacted chemical mixtures, and degradation products.

(j) "Department" means the Department of Health.

(k) "Distributor" means a person who sells consumer products to retail establishments on a wholesale basis.

(l) "Green chemistry" means an approach to designing and manufacturing products that minimizes the use and generation of toxic substances.

(m) "Intentionally added chemical" means a chemical in a product that serves an intended function in the product component.

(n) "Manufacturer" means any person who manufactures a final consumer product sold at retail or whose brand name is affixed to the consumer product. In the case of a consumer product imported into the United States, manufacturer includes the importer or domestic distributor of the consumer product if the person who manufactured or assembled the consumer product or whose brand name is affixed to the consumer product does not have a presence in the United States.

(o) "Mouthable" means a product that can be placed into and kept in a child's mouth to be sucked or chewed, including any product or product part smaller than five centimeters in one dimension. A product that can only be licked is not mouthable.

(p) "Practical quantification limit" means the lowest concentration of a chemical that can be reliably measured within specified limits of precision, accuracy, representativeness, completeness, and comparability under routine laboratory operating conditions and the value of which:

(1) is based on scientifically defensible, standard analytical methods;

(2) may vary depending on the matrix and analytical method used; and

(3) will be determined by the commissioner, taking into consideration practical quantification limits established by federal or state agencies.

~~(m)~~ (q) "Priority chemical" means a chemical identified by the Department of Health as a chemical of high concern that meets the criteria in section 116.9403.

(r) "Product category" means the brick level of the GS1 Global Product Classification (GPC) standard, which identifies products that serve a common purpose, are of a similar form and material, and share the same set of category attributes.

(s) "Product code" means the numeric representation of the item level of the GS1 electronic product code (EPC), the international article number (EAN), or the universal product code (UPC), whichever is used by a manufacturer to identify a unique company-specific or brand-specific product.

(t) "Product component" means a uniquely identifiable material or coating including, but not limited to, an ink or dye that is intended to be included as a part of a finished children's product.

~~(n)~~ (u) "Safer alternative" means:

(1) an alternative whose potential to harm human health or the environment is less than that of the use of a priority chemical that it could replace;

(2) an alternative chemical that is not a priority chemical identified by the department under section 116.9403; or

(3) an alternative chemical that is not identified on the basis of credible scientific evidence by a state, federal, or international agency as being known or suspected with a high degree of probability to:

(i) harm the normal development of a fetus or child or cause other developmental toxicity;

(ii) cause cancer, genetic damage, or reproductive harm;

(iii) disrupt the endocrine or hormone system; or

(iv) damage the nervous system, immune system, or organs, or cause other systemic toxicity.

(v) "Toy" means a product designed or intended by the manufacturer to be used by a child at play.

(w) "Trade association" means a membership organization of persons engaging in a similar or related line of commerce, organized to promote and improve business conditions in that line of commerce and not to engage in a regular business of a kind ordinarily carried on for profit.

Sec. 113. Minnesota Statutes 2014, section 116.9402, is amended to read:

116.9402 IDENTIFICATION OF CHEMICALS OF HIGH CONCERN.

(a) By July 1, 2010, the department shall, after consultation with the agency, generate a list of chemicals of high concern.

(b) The department must periodically review and revise the list of chemicals of high concern at least every three years. The department may add chemicals to the list if the chemical meets one or more of the criteria in section 116.9401, paragraph (e). Any changes to the list of chemicals of high concern must be published on the department's Web site and in the State Register when a change is made.

(c) The department shall consider chemicals listed as a suspected carcinogen, reproductive or developmental toxicant, or as being persistent, bioaccumulative, and toxic, or very persistent and very bioaccumulative by a state, federal, or international agency. These agencies may include, but are not limited to, the California Environmental Protection Agency, the Washington Department of Ecology, the United States Department of Health, the United States Environmental Protection Agency, the United Nation's World Health Organization, and European Parliament Annex XIV concerning the Registration, Evaluation, Authorisation, and Restriction of Chemicals.

(d) The department may consider chemicals listed by another state as harmful to human health or the environment for possible inclusion in the list of chemicals of high concern.

Sec. 114. Minnesota Statutes 2014, section 116.9403, is amended to read:

116.9403 IDENTIFICATION OF PRIORITY CHEMICALS.

(a) The department, after consultation with the agency, may designate a chemical of high concern as a priority chemical if the department finds that the chemical:

(1) has been identified as a high-production volume chemical by the United States Environmental Protection Agency; and

(2) meets any of the following criteria:

(i) the chemical has been found through biomonitoring to be present in human blood, including umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(ii) the chemical has been found through sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment; or

(iii) the chemical has been found through monitoring to be present in fish, wildlife, or the natural environment.

(b) By February 1, 2011, the department shall publish a list of priority chemicals in the State Register and on the department's Internet Web site and shall update the published list whenever a new priority chemical is designated. Any proposed changes to the list of priority chemicals must be published on the department's Web site and in the State Register and will be subject to a minimum 60-day public comment period. In the 60 days following the date of publication in the State Register, the public may submit comments to the department on the proposed changes to the

priority chemical list. A final list of changes to the list of priority chemicals must be published on the department's Web site following the end of the comment period and the department's review and consideration of all comments received during this period before finalizing changes to the list.

Sec. 115. Minnesota Statutes 2014, section 116.9405, is amended to read:

116.9405 APPLICABILITY EXEMPTIONS.

The requirements of sections ~~116.9404~~ 116.9408 to ~~116.9407~~ 116.9425 do not apply to:

- (1) chemicals in ~~used~~ previously owned children's products;
- (2) priority chemicals used in the manufacturing process, but that are not present in the final product;
- (3) priority chemicals used in agricultural production;
- (4) motor vehicles as defined in chapter 168 or watercraft as defined in chapter 86B or their component parts, except that the use of priority chemicals in detachable car seats is not exempt;
- (5) priority chemicals generated solely as combustion by-products or that are present ~~in combustible fuels; in combustible petroleum fuels or in biofuel,~~ as defined in section 239.051, subdivision 5a;
- (6) retailers, except if a retailer is also the producer, manufacturer, importer, or domestic distributor of a children's product containing a priority chemical or the retailer's brand name is affixed to a children's product containing a priority chemical;
- (7) over-the-counter drugs, pharmaceutical products, dietary supplements, or biologics;
- (8) a medical device as defined in the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 321(h);
- (9) ~~food and food or beverage packaging, except a container containing baby food or infant formula;~~
- ~~(40) consumer electronics products and electronic components, including but not limited to personal computers; audio and video equipment; calculators; digital displays; wireless phones; cameras; game consoles; printers; and handheld electronic and electrical devices used to access interactive software or their associated peripherals; or products that comply with the provisions of directive 2002/95/EC of the European Union, adopted by the European Parliament and Council of the European Union now or hereafter in effect; ~~or~~~~
- (10) interactive software, such as computer games, and their storage media, such as compact discs;
- (11) outdoor sport equipment, including snowmobiles as defined in section 84.81, subdivision 3; all-terrain vehicles as defined in section 84.92, subdivision 8; personal watercraft as defined in section 86B.005, subdivision 14a; watercraft as defined in section 86B.005, subdivision 18; and off-highway motorcycles, as defined in section 84.787, subdivision 7, and all attachments and repair parts for all of this equipment~~;~~;
- (12) batteries; or
- (13) a children's product, manufactured or distributed by an individual manufacturer or distributor, if fewer than 3,000 units of the children's product are manufactured or distributed annually in the United States by that manufacturer.

Sec. 116. Minnesota Statutes 2014, section 116.9406, is amended to read:

116.9406 DONATIONS TO THE STATE.

The commissioner may accept donations, grants, and other funds to carry out the purposes of sections 116.9401 to ~~116.9407~~ 116.9425. All donations, grants, and other funds must be accepted without preconditions regarding the outcomes of the regulatory oversight processes set forth in sections 116.9401 to ~~116.9407~~ 116.9425.

Sec. 117. **[116.9408] CHILDREN'S PRODUCTS; INITIAL NOTIFICATION ON PRIORITY CHEMICALS.**

(a) A manufacturer or distributor of a children's product offered for sale in this state that contains a priority chemical must, unless the children's product is not subject to regulation under section 116.9405, provide the information required under this section to the agency:

(1) within one year of the effective date of this act, if both the designation of the priority chemical under section 116.9403 and the offering for sale in this state of the children's product containing the priority chemical occurred prior to the effective date of this act;

(2) within one year of the priority chemical being designated under section 116.9403, if the children's product is initially offered for sale in this state before the designation and the designation is made after the effective date of this act; or

(3) within one year of the initial offering of the children's product for sale in this state, if the initial offering occurs after the priority chemical is designated under section 116.9403 and the designation is made after the effective date of this act.

(b) An initial notification is required for each children's product that is known or believed likely to include a priority chemical in any amount and must include the following information submitted to the agency on a form developed by the commissioner:

(1) the name of the priority chemical and its Chemical Abstracts Service Registry number;

(2) in which of the following tiers the children's product containing a priority chemical belongs:

(i) Tier 1: a mouthable children's product intended to be used by children three years of age or younger or a children's product intended to be placed in a child's mouth or directly applied to a child's skin;

(ii) Tier 2: a children's product intended to be in direct contact with a child's skin for one hour or longer, including but not limited to clothing, jewelry, bedding, or a car seat;

(iii) Tier 3: a children's product intended to be in direct contact with a child's skin for less than one hour; or

(iv) Tier 4: a children's product in which a priority chemical is contained only in an internal component that, under normal use, is unlikely to come into direct contact with a child's skin or mouth;

(3) a description of the product component in which the priority chemical is present; and

(4) the name and address of the reporting manufacturer or distributor and the name, address, and telephone number of the contact person for the reporting manufacturer or distributor.

Sec. 118. [116.9409] CHILDREN'S PRODUCTS; FULL PRODUCT REPORTING INFORMATION ON PRIORITY CHEMICALS; TIMING.

A manufacturer or distributor of a children's product offered for sale in this state that contains a priority chemical must, unless the children's product is not subject to regulation under section 116.9405, provide the full product information required under section 116.9410 to the agency. The maximum length of time between the filing of the information required under section 116.9408, paragraph (a), and the filing of full product information required under section 116.9410 varies according to the manufacturer's or distributor's annual aggregate gross sales, both within and outside the state, as reported in the manufacturer's or distributor's most recently filed federal tax return, as follows:

(1) for a manufacturer or distributor with gross sales exceeding \$1,000,000,000, one year or, for a priority chemical designated under section 116.9403 before January 1, 2015, by two years after the effective date of this section;

(2) for a manufacturer or distributor with gross sales exceeding \$250,000,000 but less than or equal to \$1,000,000,000, 1-1/2 years or, for a priority chemical designated under section 116.9403 before January 1, 2015, by 2-1/2 years after the effective date of this section;

(3) for a manufacturer or distributor with gross sales exceeding \$100,000,000 but less than or equal to \$250,000,000, two years or, for a priority chemical designated under section 116.9403 before January 1, 2015, by three years after the effective date of this section;

(4) for a manufacturer or distributor with gross sales exceeding \$5,000,000 but less than or equal to \$100,000,000, three years or, for a priority chemical designated under section 116.9403 before January 1, 2015, by four years after the effective date of this section;

(5) for a manufacturer or distributor with gross sales exceeding \$100,000 but less than or equal to \$5,000,000, four years or, for a priority chemical designated under section 116.9403 before January 1, 2015, by five years after the effective date of this section; and

(6) for a manufacturer or distributor with gross sales less than or equal to \$100,000, five years or, for a priority chemical designated under section 116.9403 before January 1, 2015, by six years after the effective date of this section.

Sec. 119. [116.9410] CHILDREN'S PRODUCTS; FULL PRODUCT REPORTING INFORMATION ON PRIORITY CHEMICALS.

(a) A manufacturer or distributor of a children's product offered for sale in the state that contains one or more priority chemicals must, except as provided in paragraph (e) or if the children's product is not subject to regulation under section 116.9405, provide the following full product information to the agency on a form developed by the commissioner:

(1) the name of each priority chemical and its Chemical Abstracts Service Registry number;

(2) in which of the following tiers the children's product containing a priority chemical belongs:

(i) Tier 1: a mouthable children's product intended to be used by children three years of age or younger or a children's product intended to be placed in a child's mouth or directly applied to a child's skin;

(ii) Tier 2: a children's product intended to be in direct contact with a child's skin for one hour or longer, including but not limited to clothing, jewelry, bedding, or a car seat;

(iii) Tier 3: a children's product intended to be in direct contact with a child's skin for less than one hour; or

(iv) Tier 4: a children's product in which a priority chemical is contained only in an internal component that, under normal use, is unlikely to come into direct contact with a child's skin or mouth;

(3) the product components, materials, or coatings that contain one or more priority chemicals;

(4) the concentration and total amount of each priority chemical contained in a children's product, a description of how the concentration was determined, and an evaluation of the accuracy of the determination. Concentrations at or above the practical quantification limit must be reported, but may be reported in the following ranges:

(i) greater than or equal to the practical quantification limit but less than 100 ppm;

(ii) greater than or equal to 100 ppm but less than 500 ppm;

(iii) greater than or equal to 500 ppm but less than 1,000 ppm;

(iv) greater than or equal to 1,000 ppm but less than 5,000 ppm;

(v) greater than or equal to 5,000 ppm but less than 10,000 ppm; and

(vi) greater than or equal to 10,000 ppm.

For the purposes of this section, "ppm" means parts per million;

(5) the product category or categories for the children's product;

(6) a description of the function of the priority chemical in the product, including whether it is present as a contaminant;

(7) the name and address of the manufacturer, distributor, or trade association filing the report and the name, address, and telephone number of the contact person for the reporting manufacturer, distributor, or trade association;

(8) evidence describing the extent to which a child is likely to be exposed to the priority chemical through normal use of the children's product;

(9) the number of units of the children's product sold or distributed in Minnesota or nationally;

(10) any other information the manufacturer or distributor deems relevant; and

(11) any other information requested by the commissioner.

(b) Reporting shall include all intentionally added chemicals at or above the applicable practical quantification limit, and contaminants present in a product component at a concentration above 100 ppm.

(c) Reporting parties are not required to include any specific formula information or the specific name and address of the facility that is responsible for introduction of a priority chemical into a children's product or product component.

(d) If the information required in paragraph (a) is not submitted in a timely fashion or is incomplete or otherwise unacceptable as determined by the agency, the agency may contract with an independent third party of the agency's choice to provide the information and may assess a fee on the manufacturer or distributor to pay the costs as specified under section 116.9419.

(e) The agency shall determine on a case-by-case basis if reporting the information in paragraph (a), clauses (3) to (9), is required by a manufacturer or distributor whose children's product belongs in Tier 4 under paragraph (a), clause (2).

(f) A trade association may file the information required under this section on behalf of a manufacturer or distributor, provided that the trade association includes in the filing a list of the manufacturers or distributors on whose behalf the trade association is reporting and all the information otherwise required of an individual manufacturer or distributor.

Sec. 120. [116.9411] CHILDREN'S PRODUCTS; FULL PRODUCT REPORTING INFORMATION ON PRIORITY CHEMICALS; SECOND AND SUBSEQUENT REPORTS.

(a) Following the initial submission of the information required under section 116.9410, a manufacturer or distributor of a children's product offered for sale in the state that continues to contain a priority chemical must submit the information required under section 116.9410 to the agency every two years.

(b) If a reporting party determines that there has been no change in the information required to be filed under section 116.9410 since the most recent filing, the reporting party may submit a written statement indicating that the previously filed data is still valid, in lieu of a new duplicate complete report, and must submit the required fees.

(c) If a manufacturer or distributor is required to file more than one report under section 116.9410 on the same priority chemical in the same children's product code, each subsequent report must include the following information in addition to the information required under section 116.9410:

(1) the product code of the children's product; and

(2) a description of the manufacturer's attempts to remove the priority chemical from the children's product and any evaluation made of the use of safer alternatives to substitute for the priority chemical contained in the children's product, including the Chemical Abstracts Service Registry numbers of safer alternatives considered.

Sec. 121. [116.9412] CHILDREN'S PRODUCTS; REMOVING A PRIORITY CHEMICAL; REPORTING REQUIREMENT.

A manufacturer or distributor who removes a priority chemical from a children's product for which an initial notification has been filed under section 116.9408 or for which full product information has been filed under section 116.9410 must notify the agency of the removal at the earliest date possible. If the priority chemical removed is replaced by a safer alternative, the manufacturer or distributor must provide, on a form developed by the commissioner, the information in section 116.9410, paragraph (a), clauses (1) to (7), and the name of the safer alternative and its Chemical Abstracts Service Registry number, or, if not replaced by a chemical alternative, a description of the techniques or design changes implemented. The safer alternative or nonchemical techniques or design changes are trade secrets.

Sec. 122. [116.9419] FEES.

(a) The agency shall, if applicable, assess and collect the following fees from manufacturers and distributors of children's products offered for sale in this state:

(1) a fee of \$1,000 for each full product report required under section 116.9410. If a children's product contains more than one priority chemical, each priority chemical is subject to this fee;

(2) a fee equal to the costs billed by the independent contractor plus the agency's actual incurred costs to bid and administer the contract for each contract issued under section 116.9410, paragraph (d); and

(3) a fee equal to twice the fee in clause (1) for the second full product report required under section 116.9410 on the same priority chemical in the same children's product. The fee for each subsequent full product report required under that section is correspondingly increased by an amount equal to the fee in clause (1).

(b) No fee is required for filing an initial notification under section 116.9408.

(c) The commissioner shall deposit all fees collected under this section in the environmental fund. All fees collected under this section are exempt from section 16A.1285.

Sec. 123. **[116.9420] STATE AGENCY DUTIES.**

(a) The agency shall publish all data that is required to be filed under sections 116.9410 and 116.9411 and that is public and not trade secret data on the agency's Web site and through other means determined by the commissioner.

(b) If a priority chemical continues to be used in a specific children's product after its manufacturer files a report required under section 116.9411, the commissioner may recommend options to further reduce or eliminate the use of the priority chemical in the report required under section 116.9425.

(c) The commissioner, in consultation with the commissioners of commerce and health, may use fee revenue in excess of program implementation costs to offer grants awarded competitively to manufacturers or other researchers to develop safer alternatives to priority chemicals in children's products, to establish alternatives as safer alternatives, or to accelerate the commercialization of safer alternatives.

(d) The commissioners of health and commerce shall develop and implement an education effort regarding priority chemicals in children's products. Education and outreach activities include, but are not limited to, consumer product safety advice; notification of recalls; identification of target audiences for product alerts and methods of notification; outreach and feedback at county and state fairs; publicity of reporting requirements of priority chemicals in children's products; and education of retailers about reporting requirements.

Sec. 124. **[116.9423] ENFORCEMENT.**

The agency shall enforce sections 116.9401 to 116.9424 in the manner provided by section 115.071, subdivisions 1, 3, 4, 5, and 6. Section 115.071, subdivision 2, does not apply to violations of sections 116.9401 to 116.9424.

Sec. 125. **[116.9425] REPORT.**

By November 15, 2016, and every three years thereafter, the commissioners of the Pollution Control Agency, health, and commerce shall report to the legislative committees with jurisdiction over environment and natural resources, commerce, and public health on the implementation of sections 116.9401 to 116.9424."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Adjust amounts accordingly

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Mack	Norton	Thissen
Anzelc	Dill	Johnson, S.	Mahoney	Persell	Wagenius
Applebaum	Erhardt	Kahn	Mariani	Peterson	Ward
Atkins	Fischer	Laine	Masin	Pinto	Wills
Bennett	Freiberg	Lenczewski	Melin	Sanders	Winkler
Bernardy	Hansen	Lesch	Metsa	Schoen	Yarusso
Bly	Hausman	Liebling	Mullery	Schultz	Youakim
Carlson	Hilstrom	Lien	Murphy, E.	Selcer	
Clark	Hornstein	Lillie	Murphy, M.	Simonson	
Considine	Hortman	Loeffler	Nelson	Slocum	
Davnie	Isaacson	Loon	Newton	Sundin	

Those who voted in the negative were:

Albright	Dettmer	Heintzeman	Lucero	Peppin	Theis
Anderson, M.	Drazkowski	Hertaus	Lueck	Petersburg	Torkelson
Anderson, P.	Erickson	Hoppe	Marquart	Pierson	Uglen
Anderson, S.	Fabian	Howe	McDonald	Poppe	Urdahl
Backer	Franson	Johnson, B.	McNamara	Pugh	Vogel
Baker	Garofalo	Kelly	Miller	Quam	Whelan
Barrett	Green	Kiel	Nash	Rarick	Zerwas
Christensen	Gruenhagen	Knoblach	Newberger	Runbeck	Spk. Daudt
Cornish	Gunther	Koznick	Nornes	Schomacker	
Daniels	Hackbarth	Kresha	O'Driscoll	Scott	
Dauids	Hamilton	Lohmer	O'Neill	Smith	
Dean, M.	Hancock	Loonan	Pelowski	Swedzinski	

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

Hilstrom was excused between the hours of 5:55 p.m. and 8:55 p.m.

Hansen moved to amend H. F. No. 846, the second engrossment, as follows:

Page 4, delete lines 31 to 35

Page 5, delete lines 1 to 3

Page 18, after line 2, insert:

"\$1,540,000 the first year and \$1,600,000 the second year are from the general fund for additional forest management purposes."

Page 20, after line 14, insert:

"\$2,000,000 the first year and \$1,500,000 the second year are from the general fund for additional parks and trails operations."

Page 23, delete lines 12 to 29 and insert:

"\$10,000,000 the first year is transferred to the commissioner of revenue for allocation to counties for county aquatic invasive species aid under Minnesota Statutes 2014, section 477A.19, subdivisions 1 to 4. Of this amount, \$9,000,000 is from the environment and natural resources account in the special revenue fund and \$1,000,000 is from the general fund. This is a onetime appropriation.

\$10,000,000 the second year is for county aquatic invasive species prevention grants under Minnesota Statutes, section 84D.16. Of this amount, \$9,000,000 is from the environment and natural resources account in the special revenue fund and \$1,000,000 is from the general fund. The appropriation from the environment and natural resources account in the special revenue fund is a onetime appropriation. The general fund base for this program in fiscal year 2018 and thereafter is \$10,000,000."

Page 25, line 4, delete "\$4,116,000" and insert "\$6,122,000" and delete "\$4,116,000" and insert "\$6,122,000"

Page 29, delete section 10

Page 87, delete sections 93 and 94

Page 106, delete section 111

Page 114, delete section 125

Page 115, delete sections 126 and 127

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Adjust amounts accordingly

A roll call was requested and properly seconded.

Schultz, Laine and Nelson moved to amend the Hansen amendment to H. F. No. 846, the second engrossment, as follows:

Page 2, after line 9, insert:

"Page 25, line 16, after the period, insert "Money appropriated in this section may not be used to plant or purchase a product that contains a pollinator lethal insecticide, as defined under Minnesota Statutes, section 18H.02, subdivision 28a."

A roll call was requested and properly seconded.

The question was taken on the Schultz et al amendment to the Hansen amendment and the roll was called. There were 116 yeas and 13 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dean, M.	Garofalo	Kiel	Peppin	Spk. Daudt
Drazkowski	Hancock	Lucero	Quam	
Fabian	Hertaus	Miller	Zerwas	

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Hansen amendment, as amended, and the roll was called. There were 56 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Isaacson	Mahoney	Persell	Wagenius
Anzelc	Erhardt	Johnson, C.	Mariani	Pinto	Ward
Applebaum	Fischer	Johnson, S.	Masin	Pugh	Wills
Atkins	Franson	Kahn	Melin	Schoen	Winkler
Bernardy	Freiberg	Laine	Mullery	Schultz	Yarusso
Bly	Hansen	Lenczewski	Murphy, E.	Selcer	Youakim
Carlson	Hausman	Lesch	Murphy, M.	Simonson	
Clark	Heintzeman	Liebling	Nelson	Slocum	
Considine	Hornstein	Lillie	Newton	Sundin	
Davnie	Hortman	Loeffler	Norton	Thissen	

Those who voted in the negative were:

Albright	Anderson, S.	Barrett	Cornish	Dean, M.	Drazkowski
Anderson, M.	Backer	Bennett	Daniels	Dettmer	Erickson
Anderson, P.	Baker	Christensen	Davids	Dill	Fabian

Fenton	Howe	Loonan	Newberger	Quam	Uglen
Garofalo	Johnson, B.	Lucero	Nornes	Rarick	Urdahl
Green	Kelly	Lueck	O'Driscoll	Runbeck	Vogel
Gruenhagen	Kiel	Mack	O'Neill	Sanders	Whelan
Gunther	Knoblach	Marquart	Pelowski	Schomacker	Zerwas
Hackbarth	Koznick	McDonald	Peppin	Scott	Spk. Daudt
Hamilton	Kresha	McNamara	Petersburg	Smith	
Hancock	Lien	Metsa	Peterson	Swedzinski	
Hertaus	Lohmer	Miller	Pierson	Theis	
Hoppe	Loon	Nash	Poppe	Torkelson	

The motion did not prevail and the amendment, as amended, was not adopted.

Wagenius moved to amend H. F. No. 846, the second engrossment, as follows:

Page 84, delete section 88

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Wagenius amendment and the roll was called. There were 52 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Loeffler	Newton	Sundin
Applebaum	Erhardt	Johnson, S.	Loon	Norton	Thissen
Atkins	Fischer	Kahn	Mahoney	Persell	Wagenius
Bernardy	Freiberg	Laine	Mariani	Pinto	Ward
Bly	Hansen	Lenczewski	Masin	Schoen	Winkler
Carlson	Hausman	Lesch	Mullery	Schultz	Yarusso
Clark	Hornstein	Liebling	Murphy, E.	Selcer	Youakim
Considine	Hortman	Lien	Murphy, M.	Simonson	
Davnie	Isaacson	Lillie	Nelson	Slocum	

Those who voted in the negative were:

Albright	Cornish	Franson	Hoppe	Lucero	Newberger
Anderson, M.	Daniels	Garofalo	Howe	Lueck	Nornes
Anderson, P.	Dauids	Green	Johnson, B.	Mack	O'Driscoll
Anderson, S.	Dean, M.	Gruenhagen	Kelly	Marquart	O'Neill
Anzelc	Dettmer	Gunther	Kiel	McDonald	Pelowski
Backer	Dill	Hackbarth	Knoblach	McNamara	Peppin
Baker	Drazkowski	Hamilton	Koznick	Melin	Petersburg
Barrett	Erickson	Hancock	Kresha	Metsa	Peterson
Bennett	Fabian	Heintzeman	Lohmer	Miller	Pierson
Christensen	Fenton	Hertaus	Loonan	Nash	Poppe

Pugh	Runbeck	Scott	Theis	Urdahl	Wills
Quam	Sanders	Smith	Torkelson	Vogel	Zerwas
Rarick	Schomacker	Swedzinski	Uglen	Whelan	Spk. Daudt

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

Hansen and Murphy, M., moved to amend H. F. No. 846, the second engrossment, as follows:

Page 67, delete section 66

Page 68, delete section 67

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Kahn offered an amendment to the Hansen and Murphy, M., amendment to H. F. No. 846, the second engrossment.

POINT OF ORDER

Newberger raised a point of order pursuant to rule 3.21(b) that the Kahn amendment to the Hansen and Murphy, M., amendment was not in order. Speaker pro tempore Davids ruled the point of order well taken and the Kahn amendment to the Hansen and Murphy, M., amendment out of order.

The question recurred on the Hansen and Murphy, M., amendment and the roll was called. There were 54 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Loeffler	Nelson	Simonson
Applebaum	Erhardt	Johnson, S.	Loon	Newton	Slocum
Atkins	Fischer	Kahn	Mahoney	Norton	Sundin
Bernardy	Freiberg	Laine	Mariani	Persell	Thissen
Bly	Hansen	Lenczewski	Marquart	Pinto	Wagenius
Carlson	Hausman	Lesch	Masin	Poppe	Ward
Clark	Hornstein	Liebling	Mullery	Schoen	Winkler
Considine	Hortman	Lien	Murphy, E.	Schultz	Yarusso
Davnie	Isaacson	Lillie	Murphy, M.	Selcer	Youakim

Those who voted in the negative were:

Albright	Anderson, S.	Baker	Christensen	Davids	Dill
Anderson, M.	Anzelc	Barrett	Cornish	Dean, M.	Draskowski
Anderson, P.	Backer	Bennett	Daniels	Dettmer	Erickson

Fabian	Heintzeman	Lohmer	Nash	Pugh	Torkelson
Fenton	Hertaus	Loonan	Newberger	Quam	Uglen
Franson	Hoppe	Lucero	Nornes	Rarick	Urdahl
Garofalo	Howe	Lueck	O'Driscoll	Runbeck	Vogel
Green	Johnson, B.	Mack	O'Neill	Sanders	Whelan
Gruenhagen	Kelly	McDonald	Pelowski	Schomacker	Wills
Gunther	Kiel	McNamara	Peppin	Scott	Zerwas
Hackbarth	Knoblach	Melin	Petersburg	Smith	Spk. Daudt
Hamilton	Koznick	Metsa	Peterson	Swedzinski	
Hancock	Kresha	Miller	Pierson	Theis	

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

Newberger moved to amend H. F. No. 846, the second engrossment, as follows:

Page 103, line 16, after "for" insert "and provided any required public notices of"

Dill moved to amend the Newberger amendment to H. F. No. 846, the second engrossment, as follows:

Page 1, after line 2, insert:

"Page 103, after line 22, insert:

"(e) The commissioners of the Pollution Control Agency and natural resources shall apply Minnesota Rules, parts 7001.3050, subpart 3, item G, and 7035.2525, subpart 2, item G, to solid waste facilities permitted under and in compliance with those rules and in compliance with Minnesota Rules, chapter 6132."

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Newberger amendment, as amended, to H. F. No. 846, the second engrossment. The motion prevailed and the amendment, as amended, was adopted.

The Speaker resumed the Chair.

SUSPENSION OF RULES

Hackbarth moved that rule 3.33 relating to Amendments Must Be Prefiled be suspended for the purpose of offering his amendment to H. F. No. 846, as amended.

A roll call was requested and properly seconded.

The question was taken on the Hackbarth motion and the roll was called. There were 95 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Albright	Dill	Hoppe	Lueck	O'Neill	Selcer
Anderson, M.	Drazkowski	Howe	Mack	Pelowski	Slocum
Anderson, P.	Erhardt	Johnson, B.	Mahoney	Peppin	Smith
Anderson, S.	Erickson	Johnson, C.	Marquart	Persell	Sundin
Anzelc	Fabian	Kelly	Masin	Petersburg	Swedzinski
Atkins	Fenton	Kiel	McDonald	Peterson	Theis
Backer	Franson	Knoblach	McNamara	Pierson	Torkelson
Baker	Garofalo	Koznick	Melin	Poppe	Uglen
Barrett	Green	Kresha	Metsa	Pugh	Urdahl
Bennett	Gruenhagen	Lenczewski	Miller	Quam	Vogel
Christensen	Gunther	Lesch	Murphy, E.	Rarick	Whelan
Cornish	Hackbarth	Lien	Murphy, M.	Runbeck	Wills
Daniels	Hamilton	Lohmer	Nash	Sanders	Winkler
Davids	Hancock	Loon	Newberger	Schoen	Zerwas
Dean, M.	Heintzeman	Loonan	Nornes	Schomacker	Spk. Daudt
Dettmer	Hertaus	Lucero	O'Driscoll	Scott	

Those who voted in the negative were:

Allen	Considine	Hausman	Liebling	Newton	Wagenius
Applebaum	Davnie	Hornstein	Lillie	Norton	Ward
Bernardy	Dehn, R.	Isaacson	Loeffler	Pinto	Yarusso
Bly	Fischer	Johnson, S.	Mariani	Schultz	Youakim
Carlson	Freiberg	Kahn	Mullery	Simonson	
Clark	Hansen	Laine	Nelson	Thissen	

The motion prevailed.

Hackbarth, O'Driscoll, Anzelc and Lueck moved to amend H. F. No. 846, the second engrossment, as amended, as follows:

Page 13, after line 12, insert:

"Prior to June 30, 2015, the commissioner shall offer to renegotiate mineral royalty rates under Minnesota Statutes, section 93.20. In renegotiating the royalty rates, the commissioner shall consider the long-term effect of the royalty rates on the beneficiary funds, including the effect of the royalty rates on the long-term health of the mining industry in Minnesota. This paragraph is effective the day following final enactment."

A roll call was requested and properly seconded.

The question was taken on the Hackbarth et al amendment and the roll was called. There were 114 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Albright	Dean, M.	Hertaus	Loonan	Nornes	Scott
Allen	Dehn, R.	Hoppe	Lucero	O'Driscoll	Selcer
Anderson, M.	Dettmer	Hortman	Lueck	O'Neill	Simonson
Anderson, P.	Dill	Howe	Mack	Pelowski	Slocum
Anderson, S.	Drazkowski	Isaacson	Mahoney	Peppin	Smith
Anzelc	Erhardt	Johnson, B.	Mariani	Persell	Sundin
Applebaum	Erickson	Johnson, C.	Marquart	Petersburg	Swedzinski
Atkins	Fabian	Johnson, S.	Masin	Peterson	Theis
Backer	Fenton	Kelly	McDonald	Pierson	Thissen
Baker	Fischer	Kiel	McNamara	Pinto	Torkelson
Barrett	Franson	Knoblach	Melin	Poppe	Uglem
Bennett	Garofalo	Koznick	Metsa	Pugh	Urdahl
Bly	Green	Kresha	Miller	Quam	Vogel
Carlson	Gruenhagen	Lenczewski	Murphy, E.	Rarick	Ward
Christensen	Gunther	Lesch	Murphy, M.	Runbeck	Whelan
Clark	Hackbarth	Lien	Nash	Sanders	Wills
Cornish	Hamilton	Lillie	Nelson	Schoen	Winkler
Daniels	Hancock	Lohmer	Newberger	Schomacker	Zerwas
Davids	Heintzeman	Loon	Newton	Schultz	Spk. Daudt

Those who voted in the negative were:

Bernardy	Freiberg	Hornstein	Liebling	Norton	Youakim
Considine	Hansen	Kahn	Loeffler	Wagenius	
Davnie	Hausman	Laine	Mullery	Yarusso	

The motion prevailed and the amendment was adopted.

H. F. No. 846, A bill for an act relating to state government; appropriating money for environment and natural resources; modifying public entity purchasing requirements; modifying solid waste provisions; modifying subsurface sewage treatment systems provisions; modifying compensable losses due to harmful substances; modifying invasive species provisions; modifying state parks and trails provisions; modifying requirements for fire training; modifying auxiliary forest provisions; modifying recreational vehicle provisions; providing for all-terrain vehicle safety training indication on drivers' licenses and identification cards; modifying and providing for certain fees; creating and modifying certain accounts; providing for and modifying certain grants; modifying disposition of certain revenue; modifying certain permit provisions; providing for condemnation of certain school trust lands; modifying Water Law; providing for certain enforcement delay; modifying personal flotation device provisions; regulating wake surfing; modifying game and fish laws; modifying Metropolitan Area Water Supply Advisory Committee and specifying duties; providing for Minnesota Pollution Control Agency Citizens' Board; prohibiting sale of certain personal care products containing synthetic plastic microbeads; requiring reports; requiring rulemaking; amending Minnesota Statutes 2014, sections 16A.531, subdivision 1a; 16C.073, subdivision 2; 84.415, subdivision 7; 84.788, subdivision 5, by adding a subdivision; 84.82, subdivision 6; 84.84; 84.92, subdivisions 8, 9, 10; 84.922, subdivision 4; 84.925, subdivision 5; 84.9256, subdivision 1; 84.928, subdivision 1; 84D.01, subdivisions 13, 15, 17, 18, by adding a subdivision; 84D.03, subdivision 3; 84D.06; 84D.10, subdivision 3; 84D.11, subdivision 1; 84D.12, subdivisions 1, 3; 84D.13, subdivision 5; 84D.15, subdivision 3; 85.015, subdivision 28, by adding a subdivision; 85.054, subdivision 12; 85.32, subdivision 1; 86B.313, subdivisions 1, 4; 86B.315; 86B.401, subdivision 3; 88.17, subdivision 3; 88.49, subdivisions 3, 4, 5, 6, 7, 8, 9, 11; 88.491, subdivision 2; 88.50; 88.51,

subdivisions 1, 3; 88.52, subdivisions 2, 3, 4, 5, 6; 88.523; 88.53, subdivisions 1, 2; 88.6435, subdivision 4; 90.14; 90.193; 94.10, subdivision 2; 94.16, subdivisions 2, 3; 97A.045, subdivision 11; 97A.057, subdivision 1; 97A.435, subdivision 4; 97A.465, by adding a subdivision; 97B.063; 97B.081, subdivision 3; 97B.085, subdivision 2; 97B.301, by adding a subdivision; 97B.668; 97C.005, subdivision 1, by adding a subdivision; 97C.301, by adding a subdivision; 97C.345, by adding a subdivision; 97C.501, subdivision 2; 103B.101, by adding a subdivision; 103B.3355; 103F.612, subdivision 2; 103G.005, by adding a subdivision; 103G.222, subdivisions 1, 3; 103G.2242, subdivisions 1, 2, 3, 4, 12, 14; 103G.2251; 103G.245, subdivision 2; 103G.271, subdivisions 3, 5, 6a; 103G.287, subdivisions 1, 2; 103G.291, subdivision 3; 103G.301, subdivision 5a; 115.03, by adding a subdivision; 115.073; 115.55, subdivisions 1, 3; 115.56, subdivision 2; 115A.03, subdivision 25a; 115A.551, subdivision 2a; 115A.557, subdivision 2; 115A.93, subdivision 1; 115B.34, subdivision 2; 115C.05; 116.02; 116.03, subdivision 1; 116.07, subdivisions 4d, 4j, 7, by adding a subdivision; 116D.04, by adding a subdivision; 144.12, by adding a subdivision; 171.07, by adding a subdivision; 282.011, subdivision 3; 446A.073, subdivisions 1, 3, 4; 473.1565; Laws 2010, chapter 215, article 3, section 3, subdivision 6, as amended; Laws 2014, chapter 312, article 12, section 6, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 84; 84D; 85; 92; 97A; 97B; 103B; 103G; 114C; 115; 115A; 325E; repealing Minnesota Statutes 2014, sections 84.68; 86B.13, subdivisions 2, 4; 88.47; 88.48; 88.49, subdivisions 1, 2, 10; 88.491, subdivision 1; 88.51, subdivision 2; 97A.475, subdivision 25; 97B.905, subdivision 3; 116.02, subdivisions 7, 8, 10; 282.013; 477A.19; Minnesota Rules, part 6264.0400, subparts 27, 28.

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 78 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Albright	Dean, M.	Hackbarth	Lohmer	Nornes	Schomacker
Anderson, M.	Dettmer	Hamilton	Loon	O'Driscoll	Scott
Anderson, P.	Dill	Hancock	Loonan	O'Neill	Smith
Anderson, S.	Drazkowski	Heintzeman	Lucero	Peppin	Swedzinski
Anzelc	Erickson	Hertaus	Lueck	Petersburg	Theis
Backer	Fabian	Hoppe	Mack	Peterson	Torkelson
Baker	Fenton	Howe	McDonald	Pierson	Uglem
Barrett	Fischer	Johnson, B.	McNamara	Poppe	Urdahl
Bennett	Franson	Kelly	Melin	Pugh	Vogel
Christensen	Garofalo	Kiel	Metsa	Quam	Whelan
Cornish	Green	Knoblach	Miller	Rarick	Wills
Daniels	Gruenhagen	Koznick	Nash	Runbeck	Zerwas
Davids	Gunther	Kresha	Newberger	Sanders	Spk. Daudt

Those who voted in the negative were:

Allen	Dehn, R.	Johnson, S.	Mahoney	Norton	Sundin
Applebaum	Erhardt	Kahn	Mariani	Pelowski	Thissen
Atkins	Freiberg	Laine	Marquart	Persell	Wagenius
Bernardy	Hansen	Lenczewski	Masin	Pinto	Ward
Bly	Hausman	Lesch	Mullery	Schoen	Winkler
Carlson	Hornstein	Liebling	Murphy, E.	Schultz	Yarusso
Clark	Hortman	Lien	Murphy, M.	Selcer	Youakim
Considine	Isaacson	Lillie	Nelson	Simonson	
Davnie	Johnson, C.	Loeffler	Newton	Slocum	

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

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

S. F. No. 888 was reported to the House.

Anderson, S., moved to amend S. F. No. 888, the unofficial engrossment, as follows:

Page 25, delete section 4

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn and Rosenthal moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 45, after line 32, insert:

"Sec. 27. Minnesota Statutes 2014, section 16A.103, subdivision 1a, is amended to read:

Subd. 1a. **Forecast parameters.** The forecast must assume the continuation of current laws and reasonable estimates of projected growth in the national and state economies and affected populations. Revenue must be estimated for all sources provided for in current law. Expenditures must be estimated for all obligations imposed by law and those projected to occur as a result of variables outside the control of the legislature. If expenditure estimates ~~must~~ do not include an allowance for inflation, revenue estimates must not include an allowance for inflation."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kahn and Rosenthal amendment and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Isaacson	Loeffler	Nelson	Slocum
Anzelc	Dehn, R.	Johnson, C.	Mahoney	Newton	Sundin
Applebaum	Erhardt	Johnson, S.	Mariani	Norton	Thissen
Atkins	Fischer	Kahn	Masin	Persell	Wagenius
Bernardy	Freiberg	Laine	Melin	Pinto	Ward
Bly	Hansen	Lesch	Metsa	Schoen	Winkler
Carlson	Hausman	Liebling	Mullery	Schultz	Yarusso
Clark	Hornstein	Lien	Murphy, E.	Selcer	Youakim
Considine	Hortman	Lillie	Murphy, M.	Simonson	

Those who voted in the negative were:

Albright	Dettmer	Heintzeman	Loonan	Pelowski	Smith
Anderson, M.	Drazkowski	Hertaus	Lucero	Peppin	Swedzinski
Anderson, P.	Erickson	Hoppe	Lueck	Petersburg	Theis
Anderson, S.	Fabian	Howe	Mack	Peterson	Torkelson
Backer	Fenton	Johnson, B.	Marquart	Pierson	Uglem
Baker	Franson	Kelly	McDonald	Poppe	Urdahl
Barrett	Garofalo	Kiel	McNamara	Pugh	Vogel
Bennett	Green	Knoblach	Miller	Quam	Whelan
Christensen	Gruenhagen	Koznick	Nash	Rarick	Wills
Cornish	Gunther	Kresha	Newberger	Runbeck	Zerwas
Daniels	Hackbarth	Lenczewski	Nornes	Sanders	Spk. Daudt
Davids	Hamilton	Lohmer	O'Driscoll	Schomacker	
Dean, M.	Hancock	Loon	O'Neill	Scott	

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

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

CALL OF THE HOUSE

On the motion of Thissen and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

All members answered to the call and it was so ordered.

The Speaker called Davids to the Chair.

Schultz moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 22, delete section 1 and insert:

"Section 1. Minnesota Statutes 2014, section 2.021, is amended to read:

2.021 NUMBER OF MEMBERS.

Subdivision 1. **Number of districts.** For each legislature, until a new apportionment shall have been made, The senate is composed of 67 members and the house of representatives is composed of 134 members. The membership is apportioned throughout the state in 67 senate districts and 134 house districts. Each senate district is entitled to elect one senator and each house district is entitled to elect one representative.

(b) A plan for congressional districts must have the number of districts apportioned to this state by the United States, each entitled to elect a single member.

Subd. 2. **Nesting.** A representative district may not be divided in the formation of a senate district.

Subd. 3. **Equal population.** (a) Legislative districts must be substantially equal in population. The population of a legislative district must not deviate from the ideal by more than two percent, plus or minus.

(b) Congressional districts must be as nearly equal in population as practicable.

Subd. 4. **Contiguity; compactness.** The districts must be composed of convenient contiguous territory structured into compact units. Contiguity by water is sufficient. Territory that touches only at a point is not contiguous, unless the territory is within the same city or town.

Subd. 5. **Numbering.** (a) The legislative districts must be numbered in a regular series, beginning with house district 1A in the northwest corner of the state and proceeding across the state from west to east, north to south, but bypassing the seven-county metropolitan area until the southeast corner has been reached; then to the seven-county metropolitan area outside the counties of Hennepin and Ramsey; then in Hennepin and finally in Ramsey.

(b) The congressional district numbers must begin with district one in the southeast corner of the state and end with the district with the highest number in the northeast corner of the state.

Subd. 6. **Minority representation.** The districts must not dilute the voting strength of racial or language minority populations. Where a concentration of a racial or language minority makes it possible and it can be done in compliance with the other principles in this section, the districts must increase the probability that members of the minority will be elected.

Subd. 7. **Preserving political subdivisions.** A county, city, or town must not be divided into more than one district except as necessary to meet equal population requirements or to form districts that are composed of convenient, contiguous, and compact territory. When a county, city, or town must be divided into more than one district, it should be divided into as few districts as possible.

Subd. 8. **Communities of interest.** The districts should attempt to preserve communities of interest where that can be done in compliance with the preceding principles. For purposes of this principle, "communities of interest" include, but are not limited to, geographic areas where there are clearly recognizable similarities of social, political, cultural, ethnic, or economic interests, or that are linked by common transportation or communication.

Subd. 9. **Political competitiveness.** The districts must be created to encourage political competitiveness, as defined by the commission established under section 2.025.

Subd. 10. **Incumbents.** The districts must not be drawn for the purpose of protecting or defeating an incumbent.

Subd. 11. **Priority.** Where it is not possible to fully comply with the principles provided in subdivisions 1 to 10, a redistricting plan must give priority to those principles in the order in which the subdivisions are listed in this section, except to the extent that doing so would violate federal or state law.

Sec. 2. **[2.025] REDISTRICTING COMMISSION.**

Subdivision 1. **Appointment.** By March 1 of each year ending in one, the leaders of the legislature shall appoint a redistricting commission as provided in this subdivision to draw the boundaries of legislative and congressional districts in accordance with the principles established in section 2.021. The commission consists of five retired judges of the appellate or district courts of this state who have not served in a party designated or party endorsed position, such as legislator. The majority leader of the senate, the minority leader of the senate, the speaker of the house, and the minority leader of the house of representatives shall each appoint one judge, after consulting with each other in an effort to attain geographic balance in their appointments. If an appointing authority fails to make an appointment by the deadline, the vacancy must be filled by appointment by the chief justice of the Supreme Court no later than March 8 of that year. The director of the Legislative Coordinating Commission shall convene a meeting of the four judges no later than March 15 of that year, at which meeting the four judges thus appointed shall, by a vote of at least three judges, choose the fifth judge. The five judges shall select one of their number to serve as chair of the commission.

Subd. 2. **Code of conduct.** In performing their duties, the members of the commission shall abide by the Code of Judicial Conduct and are considered judicial officers within the meaning of section 609.415.

Subd. 3. **Compensation and expenses.** Members of the commission must be compensated for their commission activity as provided in section 15.0575, subdivision 3.

Subd. 4. **Administrative support.** The Legislative Coordinating Commission shall provide administrative support to the commission.

Subd. 5. **Plans submitted to commission.** The commission shall adopt a schedule for interested persons to submit proposed plans to the commission and to respond to plans proposed by others. The commission shall adopt standards to govern the format of plans submitted to it.

Subd. 6. **Public hearings.** The commission shall hold at least three public hearings in different geographical regions of the state before adopting the first redistricting plans.

Subd. 7. **Deadlines.** (a) The commission shall submit to the legislature by April 30 of the year ending in one, redistricting plans for legislative and congressional seats. Either of these plans may be enacted or rejected by the legislature, but not modified.

(b) If a first plan submitted by the commission is rejected by the legislature, the commission shall submit a second plan within two weeks after the rejection, unless by then the legislature has rejected the first plan and adjourned the regular session in the year ending in one, in which case the second plan must be submitted to the legislature at the opening of its regular session in the year ending in two. A second plan may be enacted or rejected by the legislature, but not modified.

(c) If the commission fails to submit a plan by either of these two deadlines, the legislature may proceed to enact a plan in place of the missing plan without waiting for the commission to submit a plan.

(d) If a second plan is rejected by the legislature, the commission shall submit a third plan within two weeks after the rejection, unless the second plan was rejected by the legislature at its regular session in the year ending in one and the legislature adjourned the regular session in the year ending in one less than two weeks after it rejected the second plan, in which case the third plan must be submitted to the legislature at the opening of its regular session in the year ending in two. The third plan may be enacted as submitted, rejected, or enacted as modified by the legislature.

Subd. 8. **Expiration.** The commission expires when both legislative and congressional redistricting plans have been enacted into law or adopted by court order, or upon adjournment sine die of the legislature at its first regular session after each federal decennial census, whichever occurs first."

Page 110, line 9, after "sections" insert "2.031:"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Schultz amendment and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Hortman	Liebling	Mullery	Selcer
Anzelc	Dehn, R.	Isaacson	Lien	Murphy, E.	Slocum
Applebaum	Erhardt	Johnson, C.	Lillie	Nelson	Sundin
Atkins	Fischer	Johnson, S.	Loeffler	Newton	Thissen
Bernardy	Freiberg	Kahn	Mahoney	Norton	Wagenius
Bly	Hansen	Knoblach	Mariani	Persell	Winkler
Carlson	Hausman	Laine	Masin	Pinto	Yarusso
Clark	Hilstrom	Lenczewski	Melin	Schoen	Youakim
Considine	Hornstein	Lesch	Metsa	Schultz	

Those who voted in the negative were:

Albright	Dettmer	Heintzeman	Lueck	Peppin	Smith
Anderson, M.	Drazkowski	Hertaus	Mack	Petersburg	Swedzinski
Anderson, P.	Erickson	Hoppe	Marquart	Peterson	Theis
Anderson, S.	Fabian	Howe	McDonald	Pierson	Torkelson
Backer	Fenton	Johnson, B.	McNamara	Poppe	Uglen
Baker	Franson	Kelly	Miller	Pugh	Urdahl
Barrett	Garofalo	Kiel	Murphy, M.	Quam	Vogel
Bennett	Green	Koznick	Nash	Rarick	Whelan
Christensen	Gruenhagen	Kresha	Newberger	Runbeck	Wills
Cornish	Gunther	Lohmer	Nornes	Sanders	Zerwas
Daniels	Hackbarth	Loon	O'Driscoll	Schomacker	Spk. Daudt
Dauids	Hamilton	Loonan	O'Neill	Scott	
Dean, M.	Hancock	Lucero	Pelowski	Simonson	

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

CALL OF THE HOUSE LIFTED

Thissen moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Murphy, E., moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 99, delete section 107

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Murphy, E., amendment and the roll was called. There were 56 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Isaacson	Loeffler	Nelson	Sundin
Anzelc	Dehn, R.	Johnson, C.	Mahoney	Newton	Thissen
Applebaum	Erhardt	Johnson, S.	Mariani	Persell	Wagenius
Atkins	Fischer	Kahn	Marquart	Pinto	Winkler
Bernardy	Freiberg	Laine	Masin	Poppe	Yarusso
Bly	Hansen	Lenczewski	Melin	Schoen	Youakim
Carlson	Hausman	Lesch	Metsa	Schultz	
Clark	Hilstrom	Liebling	Mullery	Selcer	
Considine	Hornstein	Lien	Murphy, E.	Simonson	
Davids	Hortman	Lillie	Murphy, M.	Slocum	

Those who voted in the negative were:

Albright	Drazkowski	Hertaus	Lueck	Petersburg	Torkelson
Anderson, M.	Erickson	Hoppe	Mack	Peterson	Uglen
Anderson, P.	Fabian	Howe	McDonald	Pierson	Urdahl
Anderson, S.	Fenton	Johnson, B.	McNamara	Pugh	Vogel
Backer	Franson	Kelly	Miller	Quam	Whelan
Baker	Garofalo	Kiel	Nash	Rarick	Wills
Barrett	Green	Knoblach	Newberger	Runbeck	Zerwas
Bennett	Gruenhagen	Koznick	Nornes	Sanders	Spk. Daudt
Christensen	Gunther	Kresha	Norton	Schomacker	
Cornish	Hackbarth	Lohmer	O'Driscoll	Scott	
Daniels	Hamilton	Loon	O'Neill	Smith	
Dean, M.	Hancock	Loonan	Pelowski	Swedzinski	
Dettmer	Heintzeman	Lucero	Peppin	Theis	

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

Fischer moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 4, line 1, delete "\$7,132,000" and insert "\$7,034,000"

Page 110, line 9, delete "3.886;"

A roll call was requested and properly seconded.

The question was taken on the Fischer amendment and the roll was called. There were 57 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Mahoney	Newton	Slocum
Anzelc	Erhardt	Johnson, S.	Mariani	Norton	Sundin
Applebaum	Fischer	Kahn	Marquart	Persell	Thissen
Atkins	Freiberg	Laine	Masin	Pinto	Wagenius
Bernardy	Hansen	Lenczewski	Melin	Poppe	Winkler
Bly	Hausman	Lesch	Metsa	Runbeck	Yarusso
Carlson	Hilstrom	Liebling	Mullery	Schoen	Youakim
Clark	Hornstein	Lien	Murphy, E.	Schultz	
Considine	Hortman	Lillie	Murphy, M.	Selcer	
Davnie	Isaacson	Loeffler	Nelson	Simonson	

Those who voted in the negative were:

Albright	Dean, M.	Hamilton	Lohmer	O'Driscoll	Scott
Anderson, M.	Dettmer	Hancock	Loon	O'Neill	Smith
Anderson, P.	Drazkowski	Heintzeman	Loonan	Pelowski	Swedzinski
Anderson, S.	Erickson	Hertaus	Lucero	Peppin	Theis
Backer	Fabian	Hoppe	Lueck	Petersburg	Torkelson
Baker	Fenton	Howe	Mack	Peterson	Uglen
Barrett	Franson	Johnson, B.	McDonald	Pierson	Urdahl
Bennett	Garofalo	Kelly	McNamara	Pugh	Vogel
Christensen	Green	Kiel	Miller	Quam	Whelan
Cornish	Gruenhagen	Knoblach	Nash	Rarick	Wills
Daniels	Gunther	Koznick	Newberger	Sanders	Zerwas
Davids	Hackbarth	Kresha	Nornes	Schomacker	Spk. Daudt

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

Winkler moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 4, line 4, after the period, insert "The auditor is also requested to evaluate the availability and implementation of new technologies to increase public transparency and facilitate campaign finance reporting, including a review of the Web site redesign plans of the campaign finance and public disclosure board."

Garofalo moved to amend the Winkler amendment to S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 1, line 6, after the period, insert "The auditor is also requested to investigate and report the percentage of union dues and fair share fees deducted from compensation of Minnesota public employees that is spent by unions on political advocacy and community organizing."

A roll call was requested and properly seconded.

The question was taken on the Garofalo amendment to the Winkler amendment and the roll was called. There were 74 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Heintzeman	Loon	Peppin	Theis
Anderson, M.	Drazkowski	Hertaus	Loonan	Petersburg	Torkelson
Anderson, P.	Erickson	Hoppe	Lucero	Peterson	Uglen
Anderson, S.	Fabian	Howe	Lueck	Pierson	Urdahl
Backer	Fenton	Johnson, B.	Mack	Pugh	Vogel
Baker	Franson	Kelly	McDonald	Quam	Whelan
Barrett	Garofalo	Kiel	McNamara	Rarick	Wills
Bennett	Green	Knoblach	Miller	Runbeck	Zerwas
Christensen	Gruenhagen	Koznick	Nash	Sanders	Spk. Daudt
Cornish	Gunther	Kresha	Newberger	Schomacker	
Daniels	Hackbarth	Liebling	Nornes	Scott	
Davids	Hamilton	Loeffler	O'Driscoll	Smith	
Dean, M.	Hancock	Lohmer	O'Neill	Swedzinski	

Those who voted in the negative were:

Allen	Dehn, R.	Johnson, C.	Marquart	Pelowski	Thissen
Anzelc	Erhardt	Johnson, S.	Masin	Persell	Wagenius
Applebaum	Fischer	Kahn	Melin	Pinto	Winkler
Atkins	Freiberg	Laine	Metsa	Poppe	Yarusso
Bernardy	Hansen	Lenczewski	Mullery	Schoen	Youakim
Bly	Hausman	Lesch	Murphy, E.	Schultz	
Carlson	Hilstrom	Lien	Murphy, M.	Selcer	
Clark	Hornstein	Lillie	Nelson	Simonson	
Considine	Hortman	Mahoney	Newton	Slocum	
Davnie	Isaacson	Mariani	Norton	Sundin	

The motion prevailed and the amendment to the amendment was adopted.

Winkler moved to amend the Winkler amendment, as amended, to S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 1, line 6, before the period, insert ", and to evaluate the use of money to influence voters and political campaigns that is not required to be publicly disclosed under current law"

A roll call was requested and properly seconded.

The question was taken on the Winkler amendment to the Winkler amendment, as amended, and the roll was called. There were 57 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Isaacson	Loeffler	Nelson	Slocum
Anzelc	Dehn, R.	Johnson, C.	Mahoney	Newton	Sundin
Applebaum	Erhardt	Johnson, S.	Mariani	Norton	Thissen
Atkins	Fischer	Kahn	Marquart	Persell	Wagenius
Baker	Freiberg	Laine	Masin	Pinto	Winkler
Bernardy	Hansen	Lenczewski	Melin	Poppe	Yarusso
Bly	Hausman	Lesch	Metsa	Schoen	Youakim
Carlson	Hilstrom	Liebling	Mullery	Schultz	
Clark	Hornstein	Lien	Murphy, E.	Selcer	
Considine	Hortman	Lillie	Murphy, M.	Simonson	

Those who voted in the negative were:

Albright	Dettmer	Hancock	Loon	O'Neill	Scott
Anderson, M.	Drazkowski	Heintzeman	Loonan	Pelowski	Smith
Anderson, P.	Erickson	Hertaus	Lucero	Peppin	Swedzinski
Anderson, S.	Fabian	Hoppe	Lueck	Petersburg	Theis
Backer	Fenton	Howe	Mack	Peterson	Torkelson
Barrett	Franson	Johnson, B.	McDonald	Pierson	Uglem
Bennett	Garofalo	Kelly	McNamara	Pugh	Urdahl
Christensen	Green	Kiel	Miller	Quam	Vogel
Cornish	Gruenhagen	Knoblach	Nash	Rarick	Whelan
Daniels	Gunther	Koznick	Newberger	Runbeck	Wills
Davids	Hackbarth	Kresha	Nornes	Sanders	Zerwas
Dean, M.	Hamilton	Lohmer	O'Driscoll	Schomacker	Spk. Daudt

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

Winkler withdrew his amendment, as amended, to S. F. No. 888, the unofficial engrossment, as amended.

McNamara, Kahn and Loeffler moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 30, after line 2, insert:

"Sec. 8. Minnesota Statutes 2014, section 10.43, is amended to read:

10.43 TELEPHONE USE; APPROVAL.

(a) Each representative, senator, constitutional officer, judge, and head of a state department or agency shall sign the person's monthly long-distance telephone bills paid by the state as evidence of the person's approval of each bill. This signature requirement does not apply to a month in which the person's long-distance phone bill paid by the state is less than \$5.

(b) Even if the monthly long-distance phone bill paid by the state for a person subject to this section is less than \$5, the person is responsible for paying that portion of the bill that does not relate to state business. As provided in section 10.46, long-distance telephone bills paid by the state are public data, regardless of the amount of the bills.

EFFECTIVE DATE. This section is effective for telephone bills for usage on or after July 1, 2015."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Winkler offered an amendment to S. F. No. 888, the unofficial engrossment, as amended.

POINT OF ORDER

O'Driscoll raised a point of order pursuant to rule 4.03, relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills, that the Winkler amendment was not in order. Speaker pro tempore Davids ruled the point of order well taken and the Winkler amendment out of order.

Winkler appealed the decision of Speaker pro tempore Davids.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Davids stand as the judgment of the House?" and the roll was called. There were 76 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Heintzeman	Loonan	Pelowski	Smith
Anderson, M.	Drazkowski	Hertaus	Lucero	Peppin	Swedzinski
Anderson, P.	Erickson	Hoppe	Lueck	Petersburg	Theis
Anderson, S.	Fabian	Howe	Mack	Peterson	Torkelson
Backer	Fenton	Johnson, B.	Marquart	Pierson	Uglen
Baker	Franson	Kelly	McDonald	Poppe	Urdahl
Barrett	Garofalo	Kiel	McNamara	Pugh	Vogel
Bennett	Green	Knoblach	Miller	Quam	Whelan
Christensen	Gruenhagen	Koznick	Nash	Rarick	Wills
Cornish	Gunther	Kresha	Newberger	Runbeck	Zerwas
Daniels	Hackbarth	Lenczewski	Nornes	Sanders	Spk. Daudt
Davids	Hamilton	Lohmer	O'Driscoll	Schomacker	
Dean, M.	Hancock	Loon	O'Neill	Scott	

Those who voted in the negative were:

Allen	Atkins	Carlson	Davnie	Fischer	Hausman
Anzelc	Bernardy	Clark	Dehn, R.	Freiberg	Hilstrom
Applebaum	Bly	Considine	Erhardt	Hansen	Hornstein

Hortman	Lesch	Mariani	Murphy, M.	Schoen	Thissen
Isaacson	Liebling	Masin	Nelson	Schultz	Wagenius
Johnson, C.	Lien	Melin	Newton	Selcer	Winkler
Johnson, S.	Lillie	Metsa	Norton	Simonson	Yarusso
Kahn	Loeffler	Mullery	Persell	Slocum	Youakim
Laine	Mahoney	Murphy, E.	Pinto	Sundin	

So it was the judgment of the House that the decision of Speaker pro tempore Davids should stand.

Winkler moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 32, after line 6, insert:

"Sec. 11. Minnesota Statutes 2014, section 10A.15, is amended by adding a subdivision to read:

Subd. 6. **Political committees and funds; report on major contributors.** (a) In addition to the reporting requirements of this section, a political committee or political fund that prepares or disseminates campaign material that is targeted to the relevant electorate and which expressly advocates the election or defeat of a clearly identified candidate, or which refers to a clearly identified candidate within 30 days of a primary or special primary election, or within 60 days of an general or special general election, must either:

(1) provide a notice to the board, listing all major contributors, prior to the distribution of campaign material; or

(2) include a disclaimer, in addition to the disclaimer required by section 211B.04, on the campaign material that states: "..... (name of political committee or political fund) declines to publicly identify major donors in support of this material."

(b) For purposes of this subdivision:

(1) "major contributor" means:

(i) any individual who contributed more than \$200 to the political committee or political fund for the express purpose of preparing or disseminating the campaign material;

(ii) any individual or association that, in the aggregate, has contributed more than \$1,000 to the political committee or political fund during the calendar year; and

(iii) in the case of an association that has contributed, in aggregate, more than \$5,000 to the political committee or the political fund during the calendar year, any individual or association that paid the contributing association membership dues or fees, or made donations to the contributing association that, in total, aggregate more than \$1,000 of the money used to make the contribution to the political committee or political fund; and

(2) "expressly advocates" has the meaning given in section 10A.01, subdivision 16a, and also means any material that, when taken as a whole and with limited reference to external events, including the proximity to the election, is not susceptible to any other interpretation by a reasonable person other than that as advocating the election or defeat of one or more clearly identified candidates."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Winkler and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

All members answered to the call and it was so ordered.

The Speaker resumed the Chair.

The question recurred on the Winkler amendment and the roll was called. There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Johnson, C.	Lohmer	Newton	Sundin
Applebaum	Fischer	Johnson, S.	Mahoney	Norton	Thissen
Bernardy	Freiberg	Kahn	Mariani	Persell	Wagenius
Bly	Hansen	Laine	Masin	Pinto	Winkler
Carlson	Hausman	Lesch	Melin	Schoen	Yarusso
Clark	Hilstrom	Liebling	Metsa	Schultz	Youakim
Considine	Hornstein	Lien	Mullery	Selcer	
Davnie	Hortman	Lillie	Murphy, E.	Simonson	
Dehn, R.	Isaacson	Loeffler	Nelson	Slocum	

Those who voted in the negative were:

Albright	Anzelc	Barrett	Daniels	Drazkowski	Franson
Anderson, M.	Atkins	Bennett	Davids	Erickson	Garofalo
Anderson, P.	Backer	Christensen	Dean, M.	Fabian	Green
Anderson, S.	Baker	Cornish	Dettmer	Fenton	Gruenhagen

Gunther	Kelly	Lueck	Nornes	Pugh	Theis
Hackbarth	Kiel	Mack	O'Driscoll	Quam	Torkelson
Hamilton	Knoblach	Marquart	O'Neill	Rarick	Uglen
Hancock	Koznick	McDonald	Pelowski	Runbeck	Urdahl
Heintzeman	Kresha	McNamara	Peppin	Sanders	Vogel
Hertaus	Lenczewski	Miller	Petersburg	Schomacker	Whelan
Hoppe	Loon	Murphy, M.	Peterson	Scott	Wills
Howe	Loonan	Nash	Pierson	Smith	Zerwas
Johnson, B.	Lucero	Newberger	Poppe	Swedzinski	Spk. Daudt

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

Winkler moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 3, after line 15, insert:

"During the biennium ending June 30, 2017, any reductions from the prior biennium's base level appropriation for the house of representatives must be implemented by making equal reductions in expenditures for house staff and expenditures for house members."

Page 16, line 25, delete "256E.345" and insert "138.912"

Page 16, line 29, delete "256E.345" and insert "138.912"

A roll call was requested and properly seconded.

The question was taken on the Winkler amendment and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

Lillie moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 3, line 2, delete "69,160,000" and insert "70,120,000" and delete "67,595,000" and insert "68,595,000"

Page 3, line 5, delete "67,032,000" and insert "67,992,000" and delete "67,467,000" and insert "68,467,000"

Page 3, line 15, delete "28,998,000" and insert "29,958,000" and delete "28,998,000" and insert "29,998,000"

Page 9, line 6, delete "\$1,284,000" and insert "\$188,000"

Page 9, delete line 7 and insert "year is for"

Correct the subdivision and section totals

A roll call was requested and properly seconded.

Pursuant to rule 1.50, Peppin moved that the House be allowed to continue in session after 12:00 midnight. The motion prevailed.

The question recurred on the Lillie amendment and the roll was called. There were 57 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Johnson, C.	Mahoney	Newton	Slocum
Anzelc	Erhardt	Johnson, S.	Mariani	Norton	Sundin
Applebaum	Fischer	Kahn	Marquart	Pelowski	Thissen
Atkins	Freiberg	Laine	Masin	Persell	Wagenius
Bernardy	Hansen	Lenczewski	Melin	Pinto	Winkler
Bly	Hausman	Lesch	Metsa	Poppe	Yarusso
Carlson	Hilstrom	Liebling	Mullery	Schoen	Youakim
Clark	Hornstein	Lien	Murphy, E.	Schultz	
Considine	Hortman	Lillie	Murphy, M.	Selcer	
Davnie	Isaacson	Loeffler	Nelson	Simonson	

Those who voted in the negative were:

Albright	Dean, M.	Hamilton	Lohmer	O'Driscoll	Scott
Anderson, M.	Dettmer	Hancock	Loon	O'Neill	Smith
Anderson, P.	Drazkowski	Heintzeman	Loonan	Peppin	Swedzinski
Anderson, S.	Erickson	Hertaus	Lucero	Petersburg	Theis
Backer	Fabian	Hoppe	Lueck	Peterson	Torkelson
Baker	Fenton	Howe	Mack	Pierson	Uglen
Barrett	Franson	Johnson, B.	McDonald	Pugh	Urdahl
Bennett	Garofalo	Kelly	McNamara	Quam	Vogel
Christensen	Green	Kiel	Miller	Rarick	Whelan
Cornish	Gruenhagen	Knoblach	Nash	Runbeck	Wills
Daniels	Gunther	Koznick	Newberger	Sanders	Zerwas
Davids	Hackbarth	Kresha	Nornes	Schomacker	Spk. Daudt

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

CALL OF THE HOUSE LIFTED

Peppin moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Kahn, Davids and Nash moved to amend S. F. No. 888, the unofficial engrossment, as amended, as follows:

Page 59, after line 10, insert:

"Sec. 44. Minnesota Statutes 2014, section 16E.03, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of chapter 16E, the following terms have the meanings given them.

(a) "Information and telecommunications technology systems and services" means all computing and telecommunications hardware and software, the activities undertaken to secure that hardware and software, and the activities undertaken to acquire, transport, process, analyze, store, and disseminate information electronically. "Information and telecommunications technology systems and services" includes all proposed expenditures for computing and telecommunications hardware and software, security for that hardware and software, and related consulting or other professional services.

(b) "Information and telecommunications technology project" means an effort to acquire or produce information and telecommunications technology systems and services.

(c) "Telecommunications" means voice, video, and data electronic transmissions transported by wire, wireless, fiber-optic, radio, or other available transport technology.

(d) "Cyber security" means the protection of data and systems in networks connected to the Internet.

(e) "State agency" means an agency in the executive branch of state government and includes the Minnesota Office of Higher Education, but does not include the Minnesota State Colleges and Universities unless specifically provided elsewhere in this chapter. Notwithstanding any law to the contrary, "state agency" includes any agency in the executive branch that operates information technology relating to eligibility for state programs.

(f) "Total expected project cost" includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase. Breaking a project into several phases does not affect the cost threshold, which must be computed based on the full cost of all phases."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

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

S. F. No. 888, A bill for an act relating to the operation of state government; appropriating money for the legislature, governor's office, state auditor, attorney general, secretary of state, certain agencies, boards, councils, retirement funds, military affairs and veterans affairs, and senate building; cancellation of certain appropriations; transferring money to the budget reserve; allowing prepay for certain software and information technology hosting services; limiting a fee or fine increase to ten percent in a biennium; providing reimbursement for reasonable accommodation; modifying grant agreement provisions; making changes to guaranteed energy-savings program,

small business requirements, and targeted group businesses; changing certain requirements for the practice of cosmetology; assessing certain costs for Office of Administrative Hearings; changing a rehabilitation or renovation grant from the Minnesota Amateur Sports Commission; changing or establishing certain fees; limiting fire sprinkler requirement in certain dwellings; modifying certain filing requirements for corporations; modifying provisions for accountants; requiring a licensee of the residential trades to give an option to install fire sprinklers; modifying debt service provision for the legislative parking garage; requiring the same room numbers on signage in the Capitol to identify legacy rooms; providing in-lieu of rent evaluation; prohibiting state funds, tax expenditures, or state indebtedness to fund a major league soccer stadium; making changes to provisions for military and veterans affairs; changing provisions covering pari-mutuel horse racing; modifying provisions for cigarette and tobacco license; providing civil penalties; requiring reports; amending Minnesota Statutes 2014, sections 3.8843, subdivision 5; 16A.065; 16A.1283; 16B.97, subdivision 1; 16B.98, subdivisions 1, 11; 16C.144; 16C.16, subdivision 2, by adding a subdivision; 16C.19; 155A.21; 155A.23, subdivision 8, by adding subdivisions; 155A.24, subdivision 2; 155A.25, subdivisions 1a, 5, by adding subdivisions; 155A.27, subdivisions 1, 2, 5a; 155A.271; 155A.29, subdivisions 1, 2, by adding a subdivision; 155A.30, subdivisions 5, 10; 161.1419, subdivision 8; 190.16, by adding a subdivision; 190.19, subdivisions 2a, 3; 192.26, by adding a subdivision; 192.38, subdivision 1; 192.501, by adding a subdivision; 197.133; 198.03, subdivisions 2, 3; 211B.37; 240.01, subdivision 22, by adding subdivisions; 240.011; 240.03; 240.08, subdivisions 2, 4, 5; 240.10; 240.13, subdivisions 5, 6; 240.135; 240.15, subdivisions 1, 6; 240.16, subdivision 1; 240.22; 240.23; 240A.09; 270C.722, subdivision 1; 270C.728, by adding a subdivision; 272.484; 297F.01, subdivision 14; 297F.03, subdivisions 5, 6; 297F.04, subdivision 1; 297F.13, subdivision 4; 297F.19, by adding a subdivision; 297F.20, by adding subdivisions; 297F.21, subdivision 1; 299F.011, by adding a subdivision; 303.19; 304A.301, subdivisions 1, 5, 6, by adding a subdivision; 326A.01, subdivisions 2, 12, 13a, 15, 16; 326A.02, subdivisions 3, 5; 326A.05, subdivisions 1, 3; 326A.08, subdivision 7; 326A.10; 326B.809; 336A.09, subdivision 1; 364.09; 461.12, subdivision 8; Laws 2013, chapter 142, article 1, section 10; Laws 2014, chapter 287, section 25; proposing coding for new law in Minnesota Statutes, chapters 3; 16B; 297F; repealing Minnesota Statutes 2014, sections 155A.23, subdivision 6; 197.131; 197.132; 240.01, subdivisions 12, 23; 297F.185.

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 55 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Heintzeman	Loonan	Petersburg	Torkelson
Anderson, M.	Drazkowski	Hertaus	Lucero	Peterson	Uglen
Anderson, P.	Erickson	Hoppe	Lueck	Pierson	Urdahl
Anderson, S.	Fabian	Howe	Mack	Pugh	Vogel
Backer	Fenton	Johnson, B.	McDonald	Quam	Whelan
Baker	Franson	Kelly	McNamara	Rarick	Wills
Barrett	Garofalo	Kiel	Miller	Runbeck	Zerwas
Bennett	Green	Knoblach	Nash	Sanders	Spk. Daudt
Christensen	Gruenhagen	Koznick	Newberger	Schomacker	
Cornish	Gunther	Kresha	Nornes	Scott	
Daniels	Hackbarth	Laine	O'Driscoll	Smith	
Davids	Hamilton	Lohmer	O'Neill	Swedzinski	
Dean, M.	Hancock	Loon	Peppin	Theis	

Those who voted in the negative were:

Allen	Bernardy	Considine	Freiberg	Hornstein	Johnson, S.
Anzelc	Bly	Davnie	Hansen	Hortman	Kahn
Applebaum	Carlson	Dehn, R.	Hausman	Isaacson	Lenczewski
Atkins	Clark	Erhardt	Hilstrom	Johnson, C.	Lesch

Liebling	Marquart	Murphy, M.	Pinto	Slocum	Youakim
Lien	Masin	Nelson	Poppe	Sundin	
Lillie	Melin	Newton	Schoen	Thissen	
Loeffler	Metsa	Norton	Schultz	Wagenius	
Mahoney	Mullery	Pelowski	Selcer	Winkler	
Mariani	Murphy, E.	Persell	Simonson	Yarusso	

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

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2225, A bill for an act relating to agriculture; appropriating money for avian influenza emergency response activities.

The Senate has appointed as such committee:

Senators Dahle, Skoe and Dahms.

Said House File is herewith returned to the House.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1458.

JOANNE M. ZOFF, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1458, A bill for an act relating to state government; establishing the health and human services budget; modifying provisions governing children and family services, chemical and mental health services, withdrawal management programs, direct care and treatment, health care, continuing care, Department of Health programs, health care delivery, health licensing boards, and MNsure; making changes to medical assistance, general assistance, MFIP, Northstar Care for Children, MinnesotaCare, child care assistance, and group residential housing programs;

establishing uniform requirements for public assistance programs related to income calculation, reporting income, and correcting overpayments and underpayments; creating the Department of MNsure; modifying requirements for reporting maltreatment of minors; establishing the Minnesota ABLE plan and accounts; modifying child support provisions; establishing standards for withdrawal management programs; modifying requirements for background studies; making changes to provisions governing the health information exchange; authorizing rulemaking; requiring reports; making technical changes; modifying certain fees for Department of Health programs; modifying fees of certain health-related licensing boards; making human services forecast adjustments; appropriating money; amending Minnesota Statutes 2014, sections 13.3806, subdivision 4; 13.46, subdivisions 2, 7; 13.461, by adding a subdivision; 15.01; 15A.0815, subdivision 2; 16A.724, subdivision 2; 43A.241; 62A.02, subdivision 2; 62A.045; 62J.497, subdivisions 1, 3, 4, 5; 62J.498; 62J.4981; 62J.4982, subdivisions 4, 5; 62J.692, subdivision 4; 62M.01, subdivision 2; 62M.02, subdivisions 12, 14, 15, 17, by adding subdivisions; 62M.05, subdivisions 3a, 3b, 4; 62M.06, subdivisions 2, 3; 62M.07; 62M.09, subdivision 3; 62M.10, subdivision 7; 62M.11; 62Q.02; 62U.02, subdivisions 1, 2, 3, 4; 62U.04, subdivision 11; 62V.02, subdivisions 2, 11, by adding a subdivision; 62V.03; 62V.05; 62V.06; 62V.07; 62V.08; 119B.011, subdivision 15; 119B.025, subdivision 1; 119B.035, subdivision 4; 119B.07; 119B.09, subdivision 4; 119B.10, subdivision 1; 119B.11, subdivision 2a; 119B.125, by adding a subdivision; 144.057, subdivision 1; 144.1501, subdivisions 1, 2, 3, 4; 144.215, by adding a subdivision; 144.225, subdivision 4; 144.291, subdivision 2; 144.293, subdivisions 6, 8; 144.298, subdivisions 2, 3; 144.3831, subdivision 1; 144.9501, subdivisions 6d, 22b, 26b, by adding subdivisions; 144.9505; 144.9508; 144A.70, subdivision 6, by adding a subdivision; 144A.71; 144A.72; 144A.73; 144D.01, by adding a subdivision; 144E.001, by adding a subdivision; 144E.275, subdivision 1, by adding a subdivision; 144E.50; 144F.01, subdivision 5; 145.928, by adding a subdivision; 145A.131, subdivision 1; 148.57, subdivisions 1, 2; 148.59; 148E.075; 148E.080, subdivisions 1, 2; 148E.180, subdivisions 2, 5; 149A.20, subdivisions 5, 6; 149A.40, subdivision 11; 149A.65; 149A.92, subdivision 1; 149A.97, subdivision 7; 150A.091, subdivisions 4, 5, 11, by adding subdivisions; 150A.31; 151.065, subdivisions 1, 2, 3, 4; 151.58, subdivisions 2, 5; 157.16; 169.686, subdivision 3; 174.29, subdivision 1; 174.30, subdivisions 3, 4, by adding subdivisions; 245.4661, subdivisions 5, 6, by adding subdivisions; 245.467, subdivision 6; 245.469, by adding a subdivision; 245.4876, subdivision 7; 245.4889, subdivision 1, by adding a subdivision; 245C.03, by adding a subdivision; 245C.08, subdivision 1; 245C.10, by adding subdivisions; 245C.12; 246.18, subdivision 8; 246.54, subdivision 1; 246B.01, subdivision 2b; 246B.10; 253B.18, subdivisions 4c, 5; 254B.05, subdivision 5; 254B.12, subdivision 2; 256.01, by adding subdivisions; 256.015, subdivision 7; 256.017, subdivision 1; 256.478; 256.741, subdivisions 1, 2; 256.962, subdivision 5, by adding a subdivision; 256.969, subdivisions 1, 2b, 3a, 3c, 9; 256.975, subdivision 8; 256B.056, subdivision 5c; 256B.057, subdivision 9; 256B.059, subdivision 5; 256B.06, by adding a subdivision; 256B.0615, subdivision 3; 256B.0622, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 10, by adding a subdivision; 256B.0624, subdivision 7; 256B.0625, subdivisions 3b, 9, 13, 13e, 13h, 14, 17, 17a, 18a, 18e, 31, 48, 57, 58, by adding subdivisions; 256B.0631; 256B.072; 256B.0757; 256B.0916, subdivisions 2, 11, by adding a subdivision; 256B.441, by adding a subdivision; 256B.49, subdivision 26, by adding a subdivision; 256B.4913, subdivisions 4a, 5; 256B.4914, subdivisions 2, 8, 10, 14, 15; 256B.69, subdivisions 5a, 5i, 6, 9c, 9d, by adding a subdivision; 256B.75; 256B.76, subdivisions 2, 4, 7; 256B.767; 256D.01, subdivision 1a; 256D.02, subdivision 8, by adding subdivisions; 256D.06, subdivision 1; 256D.405, subdivision 3; 256E.35, subdivision 2, by adding a subdivision; 256I.03, subdivisions 3, 7, by adding subdivisions; 256I.04; 256I.05, subdivisions 1c, 1g; 256I.06, subdivisions 2, 6, 7, 8; 256J.08, subdivisions 26, 86; 256J.24, subdivisions 5, 5a; 256J.30, subdivisions 1, 9; 256J.35; 256J.40; 256J.95, subdivision 19; 256K.45, subdivisions 1a, 6; 256L.01, subdivisions 3a, 5; 256L.03, subdivision 5; 256L.04, subdivisions 1a, 1c, 7b; 256L.05, subdivisions 3, 3a, 4, by adding a subdivision; 256L.06, subdivision 3; 256L.11, by adding a subdivision; 256L.121, subdivision 1; 256L.15, subdivision 2; 256N.22, subdivisions 9, 10; 256N.24, subdivision 4; 256N.25, subdivision 1; 256N.27, subdivision 2; 256P.001; 256P.01, subdivision 3, by adding subdivisions; 256P.02, by adding a subdivision; 256P.03, subdivision 1; 256P.04, subdivisions 1, 4; 256P.05, subdivision 1; 257.0755, subdivisions 1, 2; 257.0761, subdivision 1; 257.0766, subdivision 1; 257.0769, subdivision 1; 257.75, subdivisions 3, 5; 259A.75; 260C.007, subdivisions 27, 32; 260C.203; 260C.212, subdivision 1, by adding subdivisions; 260C.221; 260C.331, subdivision 1; 260C.451, subdivisions 2, 6; 260C.515, subdivision 5; 260C.521, subdivisions 1, 2; 260C.607, subdivision 4; 282.241, subdivision 1; 290.0671, subdivision 6; 297A.70, subdivision 7; 514.73; 514.981, subdivision 2; 518A.26,

subdivision 14; 518A.32, subdivision 2; 518A.39, subdivision 1, by adding a subdivision; 518A.41, subdivisions 1, 3, 4, 14, 15; 518A.43, by adding a subdivision; 518A.46, subdivision 3, by adding a subdivision; 518A.51; 518A.53, subdivisions 1, 4, 10; 518A.60; 518C.802; 580.032, subdivision 1; 626.556, subdivisions 1, as amended, 2, 3, 6a, 7, as amended, 10, 10e, 10j, 10m, 11c, by adding subdivisions; Laws 2008, chapter 363, article 18, section 3, subdivision 5; Laws 2013, chapter 108, article 14, section 12, as amended; Laws 2014, chapter 189, sections 5; 10; 11; 16; 17; 18; 19; 23; 24; 27; 28; 29; 31; 43; 50; 51; 73; Laws 2014, chapter 312, article 24, section 45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 15; 62A; 62M; 62Q; 62V; 144; 144D; 245; 246B; 256B; 256E; 256M; 256P; 518A; proposing coding for new law as Minnesota Statutes, chapters 245F; 256Q; repealing Minnesota Statutes 2014, sections 62V.04; 62V.09; 62V.11; 144E.52; 148E.060, subdivision 12; 256.969, subdivisions 23, 30; 256B.69, subdivision 32; 256D.0513; 256D.06, subdivision 8; 256D.09, subdivision 6; 256D.49; 256J.38; 256L.02, subdivision 3; 256L.05, subdivisions 1b, 1c, 3c, 5; 256L.11, subdivision 7; 257.0768; 290.0671, subdivision 6a; Minnesota Rules, parts 3400.0170, subparts 5, 6, 12, 13; 8840.5900, subparts 12, 14.

The bill was read for the first time.

Dean, M., moved that S. F. No. 1458 and H. F. No. 1638, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Peppin from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bills to be placed on the Calendar for the Day for Saturday, April 25, 2015 and established a prefiling requirement for amendments offered to the following bills:

H. F. Nos. 844 and 718.

Peppin from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bill to be placed on the Calendar for the Day for Monday, April 27, 2015 and established a prefiling requirement for amendments offered to the following bill:

S. F. No. 5.

MOTIONS AND RESOLUTIONS

Johnson, C., moved that the name of Schomacker be added as an author on H. F. No. 1717. The motion prevailed.

Anderson, S., moved that the name of Dettmer be added as an author on H. F. No. 1864. The motion prevailed.

Newton moved that the name of Runbeck be added as an author on H. F. No. 2176. The motion prevailed.

Petersburg moved that the name of Masin be added as an author on H. F. No. 2249. The motion prevailed.

Atkins moved that H. F. No. 1947, now on the General Register, be re-referred to the Committee on Civil Law and Data Practices. The motion prevailed.

ADJOURNMENT

Peppin moved that when the House adjourns today it adjourn until 11:00 a.m., Saturday, April 25, 2015. The motion prevailed.

Peppin moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Saturday, April 25, 2015.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

