

## STATE OF MINNESOTA

## EIGHTY-NINTH SESSION — 2016

---

 ONE HUNDREDTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 16, 2016

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

Prayer was offered by the Reverend Ben Lane, Northbrook Alliance Church, Brooklyn Center, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

Atkins, Gunther, Hancock, Melin, Schomacker and Sundin were excused.

Pinto was excused until 6:25 p.m. Davnie was excused until 6:30 p.m. Mariani was excused until 6:35 p.m. Mahoney was excused until 7:20 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. 2649 and H. F. No. 3082, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, P., moved that S. F. No. 2649 be substituted for H. F. No. 3082 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2759 and H. F. No. 2845, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

Hackbarth moved that S. F. No. 2759 be substituted for H. F. No. 2845 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2815 and H. F. No. 3478, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Scott moved that S. F. No. 2815 be substituted for H. F. No. 3478 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3208 and H. F. No. 3436, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

Franson moved that S. F. No. 3208 be substituted for H. F. No. 3436 and that the House File be indefinitely postponed. The motion prevailed.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 12, 2016

The Honorable Kurt Daudt  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Daudt:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 2718, relating to local government; permitting the city of Elk River to increase the membership of its public utilities commission.

H. F. No. 2927, relating to transportation; permitting specific service signs at two locations under certain circumstances.

H. F. No. 2954, relating to commerce; regulating unfair practices in motor vehicle distribution.

H. F. No. 2870, relating to corrections; authorizing counties to continue participation in the community corrections subsidy program.

H. F. No. 71, relating to public safety; creating an enhanced penalty for criminal vehicular homicide occurring within ten years of a qualified offense.

H. F. No. 2478, relating to workers' compensation; adopting recommendations of the Workers' Compensation Advisory Council.

Sincerely,

MARK DAYTON  
Governor

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

The Honorable Kurt L. Daudt  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2016 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2016</i>	<i>Date Filed 2016</i>
	2718	97	1:21 p.m. May 12	May 12
	2927	98	1:21 p.m. May 12	May 12
2539		99	1:22 p.m. May 12	May 12
2869		100	1:23 p.m. May 12	May 12
2896		101	1:23 p.m. May 12	May 12
2986		102	1:23 p.m. May 12	May 12
107		103	1:24 p.m. May 12	May 12
3272		104	1:24 p.m. May 12	May 12
2430		105	1:25 p.m. May 12	May 12

2498		106	1:25 p.m. May 12	May 12
	2954	107	1:25 p.m. May 12	May 12
	2870	108	1:26 p.m. May 12	May 12
	71	109	1:26 p.m. May 12	May 12
	2478	110	1:27 p.m. May 12	May 12
2555		111	1:27 p.m. May 12	May 12
2426		112	1:28 p.m. May 12	May 12

Sincerely,

STEVE SIMON  
Secretary of State

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 659, A bill for an act relating to retirement; general state employees retirement plan of the Minnesota State Retirement System; modifying disability application deadlines in certain instances; amending Minnesota Statutes 2014, section 352.113, subdivisions 2, 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
MSRS, TRA, AND SPTRFA POST-RETIREMENT ADJUSTMENT REVISIONS  
SPTRFA SUPPLEMENTAL EMPLOYER CONTRIBUTION

Section 1. Minnesota Statutes 2014, section 354A.12, subdivision 2a, is amended to read:

Subd. 2a. **Employer regular and additional contributions.** (a) The employing units shall make the following employer contributions to the teachers retirement fund association:

(1) for ~~any~~ each coordinated member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

after June 30, 2014	5.5 percent
after June 30, 2015	6 percent
after June 30, 2016	6.25 percent
after June 30, 2017	6.5 percent
<u>after June 30, 2018</u>	<u>7.0 percent</u>

(2) for ~~any~~ each basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the respective retirement fund in an amount according to the schedule below:

after June 30, 2014	9 percent of salary
after June 30, 2015	9.5 percent of salary
after June 30, 2016	9.75 percent of salary
after June 30, 2017	10 percent of salary
<u>after June 30, 2018</u>	<u>10.5 percent of salary</u>

(3) for ~~a~~ each basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.64 percent of the salary of the basic member;

(4) for ~~a~~ each coordinated member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.84 percent of the coordinated member's salary.

(b) The regular and additional employer contributions must be remitted directly to the St. Paul Teachers Retirement Fund Association at least once each month. Delinquent amounts are payable with interest under the procedure in subdivision 1a.

(c) Payments of regular and additional employer contributions for school district or technical college employees who are paid from normal operating funds must be made from the appropriate fund of the district or technical college.

(d) When an employer contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid by the employer with the first payroll cycle reported.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 354A.29, subdivision 7, is amended to read:

Subd. 7. **Eligibility for payment and calculation of postretirement adjustments.** (a) Annually, after June 30, the board of trustees of the St. Paul Teachers Retirement Fund Association must determine the amount of any postretirement adjustment using the procedures in this subdivision ~~and subdivision 8 or 9, whichever is applicable.~~

(b) On January 1, each person who has been receiving an annuity or benefit under the articles of incorporation, the bylaws, or this chapter, whose effective date of benefit commencement occurred on or before July 1 of the immediately preceding calendar year ~~immediately before the adjustment,~~ is eligible to receive a postretirement increase ~~as specified in subdivision 8 or 9~~ as determined under paragraph (c), clause (1) or (2), whichever applies.

(c) The amount provided for under this subdivision is the full postretirement increase to be applied as a permanent increase to the regular payment of each eligible member.

(1) A one percent postretirement increase shall apply for any eligible member whose effective date of benefit commencement occurred on or before January 1 of the immediately preceding calendar year.

(2) A one-half of one percent postretirement increase shall apply for any eligible member whose effective date of benefit commencement occurred after January 1 of the immediately preceding calendar year.

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

Sec. 3. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 8, is amended to read:

Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the applicable following interest assumption:

(1) select and ultimate interest rate assumption

plan	ultimate interest rate assumption
teachers retirement plan	8.5%

The select preretirement interest rate assumption for the period through June 30, 2017, is eight percent.

(2) single rate interest rate assumption

plan	interest rate assumption
general state employees retirement plan	8%
correctional state employees retirement plan	8
State Patrol retirement plan	8
legislators retirement plan, and for the constitutional officers calculation of total plan liabilities	0
judges retirement plan	8
general public employees retirement plan	8
public employees police and fire retirement plan	8
local government correctional service retirement plan	8
St. Paul teachers retirement plan	8
Bloomington Fire Department Relief Association	6
local monthly benefit volunteer firefighter relief associations	5
monthly benefit retirement plans in the statewide volunteer firefighter retirement plan	6

(b)(1) If funding stability has been attained, the valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (2), (4), (8), (11), and (13), must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 7; 354A.29, subdivision 9;~~ or 356.415, subdivision ~~1~~ 1b, 1c, 1e, or 1f, whichever applies.

(2) If funding stability has not been attained, the valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (2), (4), (8), (11), and (13), must use a select postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 6a; 354A.29, subdivision 8;~~ or 356.415, subdivision ~~1a, 1b, 1c, 1d,~~ 1e, or 1f, whichever applies, for a period ending when the approved actuary estimates that the plan will attain the defined funding stability measure, and thereafter an ultimate postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate under section ~~354A.27, subdivision 7; 354A.29, subdivision 9;~~ or 356.415, subdivision ~~1~~ 1b, 1c, 1e, or 1f, for the applicable period or periods beginning when funding stability is projected to be attained.

(3) The valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (1), (3), (5), and (12), must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section 354A.29 or 356.415, subdivision 1a or 1d, whichever applies.

(c) The actuarial valuation must use the applicable following single rate future salary increase assumption, the applicable following modified single rate future salary increase assumption, or the applicable following graded rate future salary increase assumption:

(1) single rate future salary increase assumption

plan	future salary increase assumption
legislators retirement plan	5%
judges retirement plan	2.75
Bloomington Fire Department Relief Association	4

(2) age-related future salary increase age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption

plan	future salary increase assumption
local government correctional service retirement plan	assumption B
St. Paul teachers retirement plan	assumption A

For plans other than the St. Paul teachers retirement plan and the local government correctional service retirement plan, the select calculation is: during the designated select period, a designated percentage rate is multiplied by the result of the designated integer minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The designated select period is ten years and the designated integer is ten for the local government correctional service retirement plan and 15 for the St. Paul Teachers Retirement Fund Association. The designated percentage rate is 0.2 percent for the St. Paul Teachers Retirement Fund Association.

The ultimate future salary increase assumption is:

age	A	B
16	5.9%	8.75%
17	5.9	8.75
18	5.9	8.75
19	5.9	8.75
20	5.9	8.75
21	5.9	8.5
22	5.9	8.25
23	5.85	8
24	5.8	7.75
25	5.75	7.5
26	5.7	7.25
27	5.65	7
28	5.6	6.75
29	5.55	6.5
30	5.5	6.5

31	5.45	6.25
32	5.4	6.25
33	5.35	6.25
34	5.3	6
35	5.25	6
36	5.2	5.75
37	5.15	5.75
38	5.1	5.75
39	5.05	5.5
40	5	5.5
41	4.95	5.5
42	4.9	5.25
43	4.85	5
44	4.8	5
45	4.75	4.75
46	4.7	4.75
47	4.65	4.75
48	4.6	4.75
49	4.55	4.75
50	4.5	4.75
51	4.45	4.75
52	4.4	4.75
53	4.35	4.75
54	4.3	4.75
55	4.25	4.5
56	4.2	4.5
57	4.15	4.25
58	4.1	4
59	4.05	4
60	4	4
61	4	4
62	4	4
63	4	4
64	4	4
65	4	3.75
66	4	3.75
67	4	3.75
68	4	3.75
69	4	3.75
70	4	3.75

## (3) service-related ultimate future salary increase assumption

general state employees retirement plan of the Minnesota State Retirement System	assumption A
general employees retirement plan of the Public Employees Retirement Association	assumption B
Teachers Retirement Association	assumption C
public employees police and fire retirement plan	assumption D
State Patrol retirement plan	assumption E
correctional state employees retirement plan of the Minnesota State Retirement System	assumption F



service length	A	B	C	D	E	F
1	10.25%	11.78%	12%	12.75%	7.75%	5.75%
2	7.85	8.65	9	10.75	7.25	5.6
3	6.65	7.21	8	8.75	6.75	5.45
4	5.95	6.33	7.5	7.75	6.5	5.3
5	5.45	5.72	7.25	6.25	6.25	5.15
6	5.05	5.27	7	5.85	6	5
7	4.75	4.91	6.85	5.55	5.75	4.85
8	4.45	4.62	6.7	5.35	5.6	4.7
9	4.25	4.38	6.55	5.15	5.45	4.55
10	4.15	4.17	6.4	5.05	5.3	4.4
11	3.95	3.99	6.25	4.95	5.15	4.3
12	3.85	3.83	6	4.85	5	4.2
13	3.75	3.69	5.75	4.75	4.85	4.1
14	3.55	3.57	5.5	4.65	4.7	4
15	3.45	3.45	5.25	4.55	4.55	3.9
16	3.35	3.35	5	4.55	4.4	3.8
17	3.25	3.26	4.75	4.55	4.25	3.7
18	3.25	3.25	4.5	4.55	4.1	3.6
19	3.25	3.25	4.25	4.55	3.95	3.5
20	3.25	3.25	4	4.55	3.8	3.5
21	3.25	3.25	3.9	4.45	3.75	3.5
22	3.25	3.25	3.8	4.35	3.75	3.5
23	3.25	3.25	3.7	4.25	3.75	3.5
24	3.25	3.25	3.6	4.25	3.75	3.5
25	3.25	3.25	3.5	4.25	3.75	3.5
26	3.25	3.25	3.5	4.25	3.75	3.5
27	3.25	3.25	3.5	4.25	3.75	3.5
28	3.25	3.25	3.5	4.25	3.75	3.5
29	3.25	3.25	3.5	4.25	3.75	3.5
30 or more	3.25	3.25	3.5	4.25	3.75	3.5

(d) The actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

plan	payroll growth assumption
general state employees retirement plan of the Minnesota State Retirement System	3.5%
correctional state employees retirement plan	3.5
State Patrol retirement plan	3.5
judges retirement plan	2.75
general employees retirement plan of the Public Employees Retirement Association	3.5
public employees police and fire retirement plan	3.5
local government correctional service retirement plan	3.5
teachers retirement plan	3.75
St. Paul teachers retirement plan	4

(e) The assumptions set forth in paragraphs (c) and (d) continue to apply, unless a different salary assumption or a different payroll increase assumption:

(1) has been proposed by the governing board of the applicable retirement plan;

(2) is accompanied by the concurring recommendation of the actuary retained under section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most recent actuarial valuation report if section 356.214 does not apply; and

(3) has been approved or deemed approved under subdivision 18.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 4. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 11, is amended to read:

Subd. 11. **Amortization contributions.** (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation of the retirement plan must contain an exhibit for financial reporting purposes indicating the additional annual contribution sufficient to amortize the unfunded actuarial accrued liability and must contain an exhibit for contribution determination purposes indicating the additional contribution sufficient to amortize the unfunded actuarial accrued liability. For the retirement plans listed in subdivision 8, paragraph (c), but excluding the legislators retirement plan, the additional contribution must be calculated on a level percentage of covered payroll basis by the established date for full funding in effect when the valuation is prepared, assuming annual payroll growth at the applicable percentage rate set forth in subdivision 8, paragraph (d). For all other retirement plans and for the legislators retirement plan, the additional annual contribution must be calculated on a level annual dollar amount basis.

(b) For any retirement plan other than a retirement plan governed by paragraph (d), (e), (f), (g), (h), (i), or (j), if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by itself or by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding is the first actuarial valuation date occurring after June 1, 2020.

(c) For any retirement plan, if there has been a change in any or all of the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by itself or by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding must be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund must be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the unfunded actuarial accrued liability amount determined under item (i) by the established date for full funding in effect before the change must be calculated using the interest assumption specified in subdivision 8 in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund must be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the difference between the unfunded actuarial accrued liability amount calculated under item (i) and the unfunded actuarial accrued liability amount calculated under item (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective must be calculated using the applicable interest assumption specified in subdivision 8 in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution under item (iv) must be added to the level annual dollar amortization contribution or level percentage calculated under item (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in item (iii) is amortized by the total level annual dollar or level percentage amortization contribution computed under item (v) must be calculated using the interest assumption specified in subdivision 8 in effect after any applicable change, rounded to the nearest integral number of years, but not to exceed 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and not to be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect before the change; and

(vii) the period determined under item (vi) must be added to the date as of which the actuarial valuation was prepared and the date obtained is the new established date for full funding.

(d) For the general employees retirement plan of the Public Employees Retirement Association, the established date for full funding is June 30, 2031.

(e) For the Teachers Retirement Association, the established date for full funding is June 30, ~~2037~~ 2046.

(f) For the correctional state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2038.

(g) For the judges retirement plan, the established date for full funding is June 30, 2038.

(h) For the public employees police and fire retirement plan, the established date for full funding is June 30, 2038.

(i) For the St. Paul Teachers Retirement Fund Association, the established date for full funding is June 30, 2042. In addition to other requirements of this chapter, the annual actuarial valuation must contain an exhibit indicating the funded ratio and the deficiency or sufficiency in annual contributions when comparing liabilities to the market value of the assets of the fund as of the close of the most recent fiscal year.

(j) For the general state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2040.

(k) For the retirement plans for which the annual actuarial valuation indicates an excess of valuation assets over the actuarial accrued liability, the valuation assets in excess of the actuarial accrued liability must be recognized as a reduction in the current contribution requirements by an amount equal to the amortization of the excess expressed as a level percentage of pay over a 30-year period beginning anew with each annual actuarial valuation of the plan.

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

Sec. 5. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1a, is amended to read:

Subd. 1a. **Annual postretirement adjustments; Minnesota State Retirement System plans other than the State Patrol and judges retirement plan plans.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the legislators retirement plan, including constitutional officers as specified in chapter 3A, the general state employees retirement plan, the correctional state employees retirement plan, and the unclassified state employees retirement program are entitled to a postretirement adjustment annually on January 1, as follows:

(1) ~~for each successive January 1, if the definition of funding stability under paragraph (b) has not been met as of the prior July 1 for or with respect to the applicable retirement plan, effective January 1, 2017, through December 31, 2017, a postretirement increase of two 1.75 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and~~

(2) ~~for each successive January 1, if the definition of funding stability under paragraph (b) has not been met as of the prior July 1 for or with respect to the applicable retirement plan, effective January 1, 2017, through December 31, 2017, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two 1.75 percent for each month that the person has been receiving an annuity or benefit must be applied;~~

(3) effective January 1, 2018, a postretirement increase of two percent must be applied to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(4) effective January 1, 2018, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two percent for each month that the person has been receiving an annuity or benefit must be applied.

~~(b) Increases under this subdivision for the general state employees retirement plan or the correctional state employees retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicate that the market value of assets of the retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date. Increases under this subdivision for the legislators retirement plan established under chapter 3A, including the constitutional officers specified in that chapter, and for the unclassified state employees retirement program, terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicate that the market value of assets of the general state employees retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date.~~

~~(c) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, for the general state employees retirement plan or the correctional state employees retirement plan, is again to be applied in a subsequent year or years if the market value of assets of the applicable plan equals or is less than:~~

~~(1) 85 percent of the actuarial accrued liabilities of the applicable plan for two consecutive actuarial valuations; or~~

~~(2) 80 percent of the actuarial accrued liabilities of the applicable plan for the most recent actuarial valuation.~~

~~(d) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, for the legislators retirement plan, including the constitutional officers, and for the unclassified state employees retirement program, is again to be applied in a subsequent year or years if the market value of assets of the general state employees retirement plan equals or is less than:~~

- ~~(1) 85 percent of the actuarial accrued liabilities of the applicable plan for two consecutive actuarial valuations; or~~
- ~~(2) 80 percent of the actuarial accrued liabilities of the applicable plan for the most recent actuarial valuation.~~

~~(e) (b) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.~~

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 6. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1d, is amended to read:

Subd. 1d. **Teachers Retirement Association annual postretirement adjustments.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the Teachers Retirement Association are entitled to a postretirement adjustment annually on January 1, as follows:

(1) ~~for each January 1 until funding stability is restored, effective January 1, 2017, through December 31, 2017,~~ a postretirement increase of ~~two~~ one percent must be applied ~~each year, effective on January 1,~~ to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment;

(2) ~~for each January 1 until funding stability is restored effective January 1, 2017, through December 31, 2017,~~ for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of ~~two~~ one percent for each month the person has been receiving an annuity or benefit must be applied;

(3) ~~for each January 1 following the restoration of funding stability effective January 1, 2018, and thereafter,~~ a postretirement increase of ~~2.5~~ two percent must be applied ~~each year, effective January 1,~~ to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(4) ~~for each January 1 following the restoration of funding stability effective January 1, 2018, and thereafter,~~ for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of ~~2.5~~ two percent for each month the person has been receiving an annuity or benefit must be applied.

~~(b) Funding stability is restored when the market value of assets of the Teachers Retirement Association equals or exceeds 90 percent of the actuarial accrued liabilities of the Teachers Retirement Association in the two most recent prior actuarial valuations prepared under section 356.215 and the standards for actuarial work by the approved actuary retained by the Teachers Retirement Association under section 356.214.~~

~~(c) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, or the increase under paragraph (a), clauses (3) and (4), is again to be applied in a subsequent year or years if the market value of assets of the plan equals or is less than:~~

~~(1) 85 percent of the actuarial accrued liabilities of the plan for two consecutive actuarial valuations; or~~

~~(2) 80 percent of the actuarial accrued liabilities of the plan for the most recent actuarial valuation.~~

~~(d) (b)~~ An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the Teachers Retirement Association requesting that the increase not be made.

~~(e) (c)~~ The retirement annuity payable to a person who retires before becoming eligible for Social Security benefits and who has elected the optional payment as provided in section 354.35 must be treated as the sum of a period-certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period-certain retirement annuity plus the life retirement annuity must be the annuity amount payable until age 62, 65, or normal retirement age, as selected by the member at retirement, for an annuity amount payable under section 354.35. A postretirement adjustment granted on the period-certain retirement annuity must terminate when the period-certain retirement annuity terminates.

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

Sec. 7. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1e, is amended to read:

Subd. 1e. **Annual postretirement adjustments; State Patrol retirement plan.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has not been met, as follows:

(1) a postretirement increase of one percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of one percent for each month that the person has been receiving an annuity or benefit must be applied.

(b) Increases under paragraph (a) for the State Patrol retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations for the plan prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the retirement plan equals or exceeds 85 percent of the actuarial accrued liability of the retirement plan. Thereafter, increases under paragraph (a) become effective again on the December 31 of the calendar year in which the actuarial valuation, or prior consecutive actuarial valuations for the plan prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of the assets of the retirement plan equals or is less than 80 percent of the actuarial accrued liability of the retirement plan for two years, or equals or is less than 75 percent of the actuarial accrued liability of the retirement plan for one year and increases under paragraph (c) commence after that date.

(c) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has been met, as follows:

(1) a postretirement increase of 1.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 1.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

(d) Increases under paragraph (c) for the State Patrol retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work adopted by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under ~~subdivision 1 recommence~~ paragraph (e) commence after that date.

(e) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has been met, as follows:

(1) a postretirement increase of 2.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 2.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

~~(e)~~ (f) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 8. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1f, is amended to read:

Subd. 1f. **Annual postretirement adjustments; Minnesota State Retirement System judges retirement plan.** ~~(a) The increases provided under this subdivision are in lieu of increases under subdivision 1 or 1a for retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan.~~

~~(b)~~ (a) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has not been met, as follows:

(1) a postretirement increase of 1.75 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 1.75 percent for each month that the person has been receiving an annuity or benefit must be applied.

~~(e)~~ (b) Increases under ~~this subdivision~~ paragraph (a) terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the judges retirement plan equals or exceeds 70 percent of the actuarial accrued liability of the retirement plan- and increases under subdivision 1 or 1a, whichever is applicable, begin on the January 1 next following paragraph (c) commence after that date.

(c) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has not been met, as follows:

(1) a postretirement increase of two percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two percent for each month that the person has been receiving an annuity or benefit must be applied.

(d) Increases under paragraph (c) terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work adopted by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the judges retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under paragraph (e) commence after that date.

(e) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has been met, as follows:

(1) a postretirement increase of 2.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 2.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

~~(d)~~ (f) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

**EFFECTIVE DATE.** This section is effective June 30, 2016.



Sec. 9. Minnesota Statutes 2014, section 490.121, subdivision 25, is amended to read:

Subd. 25. **Tier I.** "Tier I" is the benefit program of the retirement plan with a membership specified by section 490.1221, paragraph (b), and governed by sections 356.415, ~~subdivisions 1 and~~ subdivision 1f; and 490.121 to 490.133, except as modified in sections 490.121, subdivision 21f, paragraph (b); 490.1222; 490.123, subdivision 1a, paragraph (b); and 490.124, subdivision 1, paragraphs (c) and (d).

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 10. Minnesota Statutes 2014, section 490.121, subdivision 26, is amended to read:

Subd. 26. **Tier II.** "Tier II" is the benefit program of the retirement plan with a membership specified by section 490.1221, paragraph (c), and governed by sections 356.415, ~~subdivisions 1 and~~ subdivision 1f; 490.121 to 490.133, as modified in section 490.121, subdivision 21f, paragraph (b); 490.1222; 490.123, subdivision 1a, paragraph (b); and 490.124, subdivision 1, paragraphs (c) and (d).

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 11. **REPEALER.**

(a) Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1, is repealed.

(b) Minnesota Statutes 2015 Supplement, section 354A.29, subdivisions 8 and 9, are repealed.

**EFFECTIVE DATE.** Paragraph (a) is effective June 30, 2016. Paragraph (b) is effective July 1, 2016.

ARTICLE 2  
MINNESOTA STATE RETIREMENT SYSTEM  
ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2015 Supplement, section 3A.03, subdivision 2, is amended to read:

Subd. 2. **Refund.** (a) A former member who has made contributions under subdivision 1 and who is no longer a member of the legislature is entitled to receive, upon written application to the executive director on a form prescribed by the executive director, a refund from the general fund of all contributions credited to the member's account with interest computed as provided in section 352.22, subdivision 2.

(b) The refund of contributions as provided in paragraph (a) terminates all rights of a former member of the legislature and the survivors of the former member under this chapter.

(c) If the former member of the legislature again becomes a member of the legislature after having taken a refund as provided in paragraph (a), the member is a member of the unclassified employees retirement program of the Minnesota State Retirement System.

(d) However, the member may reinstate the rights and credit for service previously forfeited under this chapter if the member repays all refunds taken, plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date on which the refund was taken to the date on which the refund is repaid. Repayment must be made as provided in section 352.23, paragraph (d).

(e) No person may be required to apply for or to accept a refund.

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

Sec. 2. Minnesota Statutes 2014, section 3A.03, subdivision 3, is amended to read:

Subd. 3. **Legislators retirement fund.** (a) The legislators retirement fund, a special retirement fund, is created within the state treasury. The legislators retirement fund must be credited with any investment proceeds on the assets of the retirement fund.

(b) The payment of annuities under section 3A.115, paragraph (b), is appropriated from the legislators retirement fund.

(c) The legislators retirement fund may receive transfers of general fund proceeds.

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

Sec. 3. Minnesota Statutes 2014, section 16A.14, subdivision 2a, is amended to read:

Subd. 2a. **Exceptions.** The allotment and encumbrance system does not apply to:

(1) appropriations for the courts or the legislature;

(2) payment of unemployment benefits; and

(3) transactions within the defined contribution funds administered by the Minnesota State Retirement System.

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

Sec. 4. Minnesota Statutes 2014, section 352.03, subdivision 5, is amended to read:

Subd. 5. **Executive director, deputy director, and assistant director.** (a) The board shall appoint an executive director, in this chapter called the director, of the system must be appointed by the board on the basis of fitness education, experience in the retirement field, and leadership ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The director must have had at least five years' experience on the administrative staff of a major retirement system in either an executive level management position or in a position with responsibility for the governance, management, or administration of a retirement plan.

(b) The executive director, deputy director, and assistant director must be in the unclassified service but appointees may be selected from civil service lists if desired. The salary of the executive director must be as provided by section 15A.0815. The salary of the deputy director and assistant director must be set in accordance with section 43A.18, subdivision 3.

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

Sec. 5. Minnesota Statutes 2014, section 352.03, subdivision 6, is amended to read:

Subd. 6. **Duties and powers of executive director.** The management of the system is vested in the director, who is the executive and administrative head of the system. The director may appoint a deputy director and an assistant director with the approval of the board. The director shall be advisor to the board on matters pertaining to the system and shall also act as the secretary of the board. The director shall:

(1) attend meetings of the board;

(2) prepare and recommend to the board appropriate rules to carry out this chapter;

(3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;

~~(4) designate an assistant director with the approval of the board;~~

~~(5)~~ (4) appoint any employees, both permanent and temporary, that are necessary to carry out the provisions of this chapter;

~~(6)~~ (5) organize the work of the system as the director deems necessary to fulfill the functions of the system, and define the duties of its employees and delegate to them any powers or duties, subject to the control of the director and under conditions the director may prescribe. Appointments to exercise delegated power must be by written order and shall be filed with the secretary of state;

~~(7)~~ (6) with the advice and consent of the board, contract for the services of an approved actuary, professional management services, and any other consulting services as necessary and fix the compensation for those services. The contracts are not subject to competitive bidding under chapter 16C. Any approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director, and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained under section 356.214. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the Legislative Commission on Pensions and Retirement. Professional management services may not be contracted for more often than once in six years. Copies of professional management survey reports must be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the Legislative Reference Library as provided by section 3.195, and to the executive director of the commission at the time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems are qualified to contract with the director;

~~(8)~~ (7) with the advice and consent of the board provide in-service training for the employees of the system;

~~(9)~~ (8) make refunds of accumulated contributions to former state employees and to the designated beneficiary, surviving spouse, legal representative, or next of kin of deceased state employees or deceased former state employees, as provided in this chapter;

~~(10)~~ (9) determine the amount of the annuities and disability benefits of employees covered by the system and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, in accordance with the provisions of this chapter;

~~(11)~~ (10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the system;

~~(12)~~ (11) certify funds available for investment to the State Board of Investment;

~~(13)~~ (12) with the advice and approval of the board request the State Board of Investment to sell securities when the director determines that funds are needed for the system;

~~(14)~~ (13) prepare and submit to the board and the legislature an annual financial report covering the operation of the system, as required by section 356.20;

~~(15)~~ (14) prepare and submit biennial and annual budgets to the board and with the approval of the board submit the budgets to the Department of Management and Budget; and

~~(16)~~ (15) with the approval of the board, perform other duties required to administer the retirement and other provisions of this chapter and to do its business.

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

Sec. 6. Minnesota Statutes 2015 Supplement, section 352.23, is amended to read:

**352.23 TERMINATION OF RIGHTS; REPAYMENT OF REFUND.**

(a) When any employee accepts a refund as provided in section 352.22, all existing allowable service credits and all rights and benefits to which the employee was entitled before accepting the refund terminate.

(b) Terminated service credits and rights must not ~~again~~ be restored until the former employee acquires at least six months of allowable service credit after taking the last refund. ~~In that event, the employee may repay and repays~~ all refunds previously taken from the retirement fund with interest as provided in paragraph (d).

(c) Repayment of refunds entitles the employee only to credit for service covered by (1) salary deductions; (2) payments previously made in lieu of salary deductions as permitted under law in effect when the payment in lieu of deductions was made; (3) payments made to obtain credit for service as permitted by laws in effect when payment was made; and (4) allowable service previously credited while receiving temporary workers' compensation as provided in section 352.01, subdivision 11, paragraph (a), clause (3).

(d) Payments under this section for repayment of refunds are to be paid with interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date the refund was taken until the date the refund is repaid. ~~They~~ Repayment may be ~~paid in a lump sum or by payroll deduction in the manner provided in section 352.04.~~ Payment may be made in partial payments consistent with section 356.44 during employment or in a lump sum up to six months after termination from service.

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

Sec. 7. Minnesota Statutes 2015 Supplement, section 352B.11, subdivision 4, is amended to read:

Subd. 4. **Reentry into state service.** When a former member, who has become separated from state service that entitled the member to membership and has received a refund of retirement payments, reenters the state service in a position that entitles the member to membership, that member shall receive credit for the period of prior allowable state service if the member repays into the fund the amount of the refund, plus interest on it at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually, ~~at any time before subsequent retirement.~~ Repayment may be made in installments or in a lump sum. Repayment must be made as provided in section 352.23, paragraph (d).

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

Sec. 8. Minnesota Statutes 2015 Supplement, section 352D.05, subdivision 4, is amended to read:

Subd. 4. **Repayment of refund.** (a) A participant in the unclassified program may repay regular refunds taken under section 352.22, as provided in section 352.23.

(b) A participant in the unclassified program or an employee covered by the general employees retirement plan who has withdrawn the value of the total shares may repay the refund taken and thereupon restore the service credit, rights and benefits forfeited by paying into the fund the amount refunded plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date that the refund was taken until the date that the refund is repaid. If the participant had withdrawn only the employee shares as permitted under prior laws, repayment must be pro rata.

(c) ~~Except as provided in section 356.441, the repayment of a refund under this section must be made in a lump sum.~~ Repayment must be made as provided in section 352.23, paragraph (d).

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

Sec. 9. Minnesota Statutes 2015 Supplement, section 490.124, subdivision 12, is amended to read:

Subd. 12. **Refund.** (a) A person who ceases to be a judge is entitled to a refund in an amount that is equal to all of the member's employee contributions to the judges' retirement fund plus interest computed under section 352.22, subdivision 2.

(b) A refund of contributions under paragraph (a) terminates all service credits and all rights and benefits of the judge and the judge's survivors under this chapter.

(c) A person who becomes a judge again after taking a refund under paragraph (a) may reinstate the previously terminated allowable service credit, rights, and benefits by repaying the total amount of the previously received refund. The refund repayment must include interest on the total amount previously received at the annual rate of 8.5 percent until June 30, 2015, and eight percent thereafter, compounded annually, from the date on which the refund was received until the date on which the refund is repaid. Repayment must be made as provided in section 352.23, paragraph (d).

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

ARTICLE 3  
TEACHERS RETIREMENT ASSOCIATION  
ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2014, section 354.05, subdivision 2, is amended to read:

Subd. 2. **Teacher.** (a) "Teacher" means:

(1) a person who renders service as a teacher, supervisor, principal, superintendent, librarian, nurse, counselor, social worker, therapist, or psychologist in:

(i) a public school of the state other than in Independent School District No. 625 or in Independent School District No. 709, or in any;

(ii) a charter school, irrespective of the location of the school, or in any; or

(iii) a charitable, penal, or correctional institutions institution of a governmental subdivision, or;

(2) a person who is engaged in educational administration in connection with the state public school system, whether the position be a public office or as employment;

(3) a person who renders service as a charter school director or chief administrative officer, provided, however, that if the charter school director or chief administrative officer is covered by the Public Employees Retirement Association general employees retirement plan on July 1, 2016, the charter school director or chief administrative officer shall continue to be covered by that plan and not by the Teachers Retirement Association;

~~(2)~~ (4) an employee of the Teachers Retirement Association;

~~(3)~~ (5) a person who renders teaching service on a part-time basis and who also renders other services for a single employing unit where the teaching service comprises at least 50 percent of the combined employment salary is a member of the association for all services with the single employing unit or, if less than 50 percent of the combined employment salary, the executive director determines all of the combined service is covered by the association; or

(4) ~~(6)~~ a person who is not covered by the plans established under chapter 352D, 354A, or 354B and who is employed by the Board of Trustees of the Minnesota State Colleges and Universities system in an unclassified position as:

- (i) a president, vice-president, or dean;
- (ii) a manager or a professional in an academic or an academic support program other than specified in item (i);
- (iii) an administrative or a service support faculty position; or
- (iv) a teacher or a research assistant.

(b) "Teacher" does not mean:

(1) a person who works for a school or institution as an independent contractor as defined by the Internal Revenue Service;

~~(2) a person who renders part time teaching service or who is a customized trainer as defined by the Minnesota State Colleges and Universities system if (i) the service is incidental to the regular nonteaching occupation of the person; and (ii) the employer stipulates annually in advance that the part time teaching service or customized training service will not exceed 300 hours in a fiscal year and retains the stipulation in its records; and (iii) the part time teaching service or customized training service actually does not exceed 300 hours in a fiscal year;~~

~~(3) a person exempt from licensure under section 122A.30;~~

(4) ~~(2)~~ annuitants of the teachers retirement plan who are employed after retirement by an employing unit that participates in the teachers retirement plan during the course of that reemployment;

~~(5) (3)~~ a person who is employed by the University of Minnesota;

~~(6) (4)~~ a member or an officer of any general governing or managing board or body of an employing unit that participates in the teachers retirement plan; or

~~(7) (5)~~ a person employed by Independent School District No. 625 or Independent School District No. 709 as a teacher as defined in section 354A.011, subdivision 27.

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

Sec. 2. Minnesota Statutes 2014, section 354.05, is amended by adding a subdivision to read:

Subd. 17a. **Former spouse.** "Former spouse" means a person who is no longer a spouse of a member due to dissolution of the marriage, legal separation, or annulment.

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

Sec. 3. Minnesota Statutes 2014, section 354.06, subdivision 2, is amended to read:

Subd. 2. **President; executive director.** The board shall annually elect one of its members as president. It shall elect an executive director, whose salary shall be as provided by section 15A.0815. ~~The salary of the assistant executive director who shall be in the unclassified service, shall be set in accordance with section 43A.18, subdivision 3.~~ The executive director shall serve during the pleasure of the board and be the executive officer of the

board, with such duties as the board shall prescribe. The board shall employ all other clerks and employees necessary to properly administer the association. The cost and expense of administering the provisions of this chapter shall be paid by the association. The board shall appoint an executive director shall be appointed by the board on the basis of fitness education, experience in the retirement field and leadership, ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The executive director shall have had at least five years of experience on the administrative staff of a major retirement system in either an executive-level management position or in a position with responsibility for the governance, management, or administration of a retirement plan.

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

Sec. 4. Minnesota Statutes 2014, section 354.06, subdivision 2a, is amended to read:

Subd. 2a. **Duties of executive director.** The management of the association is vested in the executive director who shall be the executive and administrative head of the association. The executive director shall act as advisor to the board on all matters pertaining to the association and shall also act as the secretary of the board. The executive director shall:

- (1) attend all meetings of the board;
- (2) prepare and recommend to the board appropriate rules to carry out the provisions of this chapter;
- (3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;
- (4) designate, as necessary, a deputy executive director and an assistant executive director in the unclassified service, as defined in section 43A.08, whose salaries shall be set in accordance with section 43A.18, subdivision 3, and two assistant executive directors in the classified service, as defined in section 43A.07, with the approval of the board, and appoint such employees, both permanent and temporary, as are necessary to carry out the provisions of this chapter;
- (5) organize the work of the association as the director deems necessary to fulfill the functions of the association, and define the duties of its employees and delegate to them any powers or duties, subject to the director's control and under such conditions as the director may prescribe;
- (6) with the approval of the board, contract and set the compensation for the services of an approved actuary, professional management services, and any other consulting services. These contracts are not subject to the competitive bidding procedure prescribed by chapter 16C. An approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained under section 356.214. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the Legislative Commission on Pensions and Retirement. Copies of professional management survey reports must be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the Legislative Reference Library as provided by section 3.195, and to the executive director of the commission at the same time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems are qualified to contract with the executive director;
- (7) with the approval of the board, provide in-service training for the employees of the association;
- (8) make refunds of accumulated contributions to former members and to the designated beneficiary, surviving spouse, legal representative, or next of kin of deceased members or deceased former members, under this chapter;

(9) determine the amount of the annuities and disability benefits of members covered by the association and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, under this chapter;

(10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the association;

(11) prepare and submit to the board and the legislature an annual financial report covering the operation of the association, as required by section 356.20;

(12) certify funds available for investment to the State Board of Investment;

(13) with the advice and approval of the board, request the State Board of Investment to sell securities on determining that funds are needed for the purposes of the association;

(14) prepare and submit biennial and annual budgets to the board and with the approval of the board submit those budgets to the Department of Management and Budget; and

(15) with the approval of the board, perform such other duties as may be required for the administration of the association and the other provisions of this chapter and for the transaction of its business. The executive director may:

(i) reduce all or part of the accrued interest and fines payable by an employing unit for reporting requirements under section 354.52, based on an evaluation of any extenuating circumstances of the employing unit;

(ii) assign association employees to conduct field audits of an employing unit to ensure compliance with the provisions of this chapter; and

(iii) recover overpayments, if not repaid to the association, by suspending or reducing the payment of a retirement annuity, refund, disability benefit, survivor benefit, or optional annuity under this chapter until the overpayment, plus interest, has been recovered.

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

Sec. 5. Minnesota Statutes 2014, section 354.095, is amended to read:

**354.095 MEDICAL LEAVE.**

(a) Upon granting a medical leave, an employing unit must certify the leave to the association on a form specified by the executive director. A member of the association who is on an authorized medical leave of absence is entitled to receive allowable service credit, not to exceed ~~one year~~ five years, for the period of leave, upon making the prescribed payment to the fund under section 354.72. A member may not receive more than one year of allowable service credit during any fiscal year by making payment under this section. A member may not receive disability benefits under section 354.48 and receive allowable service credit under this section for the same period of time.

(b) The executive director shall reject an application for disability benefits under section 354.48 if the member is applying only because an employer-sponsored provider of private disability insurance benefits requires such an application and the member would not have applied for disability benefits in the absence of such requirement. The member shall submit a copy of the disability insurance policy that requires an application for disability benefits from the plan if the member wishes to assert that the application is only being submitted because of the disability insurance policy requirement.



(c) Notwithstanding the provisions of any agreement to the contrary, employee and employer contributions may not be made to receive allowable service credit under this section if the member does not retain the right to full reinstatement both during and at the end of the medical leave.

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

Sec. 6. Minnesota Statutes 2015 Supplement, section 354.44, subdivision 9, is amended to read:

Subd. 9. **Determining applicable law.** A former teacher who returns to covered service following a termination and who is not receiving a retirement annuity under this section must have earned at least ~~85 days~~ one-half year of credited service following the return to covered service to be eligible for improved benefits resulting from any law change enacted subsequent to that termination.

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

Sec. 7. Minnesota Statutes 2014, section 354.45, is amended by adding a subdivision to read:

Subd. 3. **Payment upon death of former spouse.** Upon the death of the former spouse to whom payments are to be made before the end of the specified payment period, payments shall be made according to the terms of a beneficiary form completed by the former spouse or, if no beneficiary form, to the estate of the former spouse.

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

Sec. 8. Minnesota Statutes 2014, section 354.46, subdivision 6, is amended to read:

Subd. 6. **Application.** (a) A beneficiary designation and an application for benefits under this section must be in writing on a form prescribed by the executive director.

(b) Sections 354.55, subdivision 11, and 354.60 apply to a deferred annuity payable under this section.

(c) Unless otherwise specified, the annuity must be computed under section 354.44, subdivision 2 or 6, whichever is applicable.

(d) Each designated beneficiary eligible for a lifetime benefit under this subdivision may apply for an annuity any time after the member's death. The benefit may not begin to accrue more than six months before the date the application is filed with the executive director and may not accrue before the member's death.

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

Sec. 9. Minnesota Statutes 2014, section 354.48, subdivision 1, is amended to read:

Subdivision 1. **Age, service and salary requirements.** A member who is totally and permanently disabled, who has not reached the normal retirement age as defined in section 354.05, subdivision 38, and who has at least three years of credited allowable service at the time that the total and permanent disability begins is entitled to a disability benefit based on this allowable service in an amount provided in subdivision 3. If the disabled member's teaching service has terminated at any time, at least two of the required three years of allowable service must have been rendered after last becoming a member. ~~Any member whose average salary is less than \$75 per month is not entitled to disability benefits.~~

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

Sec. 10. Minnesota Statutes 2014, section 354.52, subdivision 4, is amended to read:

Subd. 4. **Reporting and remittance requirements.** An employer shall remit all amounts due to the association and furnish a statement indicating the amount due and transmitted with any other information required by the executive director. If an amount due is not received by the association within 14 calendar days of the payroll warrant, the amount accrues interest at an annual rate of 8.5 percent compounded annually from the due date until the amount is received by the association. All amounts due and other employer obligations not remitted ~~within 60 days of notification by the association must~~ may be certified to the commissioner of management and budget who shall deduct the amount from any state aid or appropriation amount applicable to the employing unit.

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

Sec. 11. Minnesota Statutes 2014, section 354.52, subdivision 6, is amended to read:

Subd. 6. **Noncompliance consequences.** (a) An employing unit that does not comply with the reporting requirements under subdivision 2a, 4a, 4b, or 4d, clause (1), must pay a fine of \$5 per calendar day until the association receives the required data.

(b) If the annual base salary required to be reported under subdivision 4d has not been settled or determined as of June 16, the fine commences if the annual base salary has not been reported to the association within 14 days following the settlement date.

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

Sec. 12. Minnesota Statutes 2014, section 423A.02, subdivision 3, is amended to read:

Subd. 3. **Reallocation of amortization state aid.** (a) Seventy percent of the difference between \$5,720,000 and the current year amortization aid distributed under subdivision 1 that is not distributed for any reason to a municipality must be distributed by the commissioner of revenue according to this paragraph. The commissioner shall distribute 60 percent of the amounts derived under this paragraph to the Teachers Retirement Association, and 40 percent to the St. Paul Teachers Retirement Fund Association to fund the unfunded actuarial accrued liabilities of the respective funds. These payments must be made on July 15 each fiscal year. If the St. Paul Teachers Retirement Fund Association ~~or the Duluth Teachers Retirement Fund Association~~ becomes fully funded, the association's eligibility for its portion of this aid ceases. Amounts remaining in the undistributed balance account at the end of the biennium if aid eligibility ceases cancel to the general fund.

(b) In order to receive amortization aid under paragraph (a), before June 30 annually Independent School District No. 625, St. Paul, must make an additional contribution of \$800,000 each year to the St. Paul Teachers Retirement Fund Association.

(c) Thirty percent of the difference between \$5,720,000 and the current year amortization aid under subdivision 1 that is not distributed for any reason to a municipality must be distributed under section 69.021, subdivision 7, paragraph (d), as additional funding to support a minimum fire state aid amount for volunteer firefighter relief associations.

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

ARTICLE 4  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION  
ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353.0162, is amended to read:

**353.0162 REDUCED SALARY PERIODS SALARY CREDIT PURCHASE FOR PERIODS OF REDUCED SALARY.**

(a) A member may purchase ~~additional~~ differential salary credit, ~~as described in paragraph (c),~~ for a period specified in ~~this section~~ paragraph (b).

(b) The applicable period is a period during which the member is receiving ~~a~~ no or reduced salary from the employer while the member is:

(1) receiving ~~temporary~~ workers' compensation payments related to the member's service to the public employer;

(2) on an authorized leave of absence, except that if the authorized leave of absence exceeds 12 months, the period of leave for which differential salary credit may be purchased is limited to 12 months; or

(3) on an authorized ~~partial-paid~~ leave of absence as a result of a budgetary or salary savings program offered or mandated by a governmental subdivision, if certified to the executive director by the governmental subdivision.

(c) ~~The~~ Differential salary ~~amount~~ credit is the difference between the ~~average monthly~~ salary received by the member during ~~the a period of reduced salary under this section~~ specified in paragraph (b) and the ~~average monthly~~ salary of the member, excluding overtime, on which contributions to the applicable plan ~~were would have been~~ made during the period ~~of the last six months of covered employment occurring immediately before the period of reduced salary, applied to~~ based on the member's normal employment period, measured in hours or otherwise, as applicable, and rate of pay.

(d) To receive ~~eligible~~ differential salary credit, the member shall pay the plan, by delivering payment to the executive director, an amount equal to:

(1) the applicable employee contribution rate under section 353.27, subdivision 2; 353.65, subdivision 2; or 353E.03, subdivision 1, as applicable, multiplied by the differential salary amount;

(2) plus an employer equivalent payment equal to the applicable employer contribution rate in section 353.27, subdivision 3; 353.65, subdivision 3; or 353E.03, subdivision 2, as applicable, multiplied by the differential salary amount;

(3) plus, if applicable, an equivalent employer additional amount equal to the additional employer contribution rate in section 353.27, subdivision 3a, multiplied by the differential salary amount.

(e) The employer, by appropriate action of its governing body and documented in its official records, may pay the employer equivalent contributions and, as applicable, the equivalent employer additional contributions on behalf of the member.

(f) Payment under this section must include interest on the contribution amount or amounts, whichever applies, at an 8.5 percent annual rate until June 30, 2015, and at an eight percent annual rate thereafter, prorated for applicable months from the date on which the period of reduced salary specified ~~under this section in paragraph (b)~~ terminates to the date on which the payment or payments are received by the executive director. Payment under this section must be completed ~~within~~ by the earlier earliest of:

- (1) 30 days ~~from~~ after termination of public service by the employee under section 353.01, subdivision 11a, ~~or;~~
- (2) one year after the termination of the period specified in paragraph (b), ~~as further restricted under this section; or~~
- (3) 30 days after the commencement of a disability benefit.

~~(g) The period for which additional allowable salary credit may be purchased is limited to the period during which the person receives temporary workers' compensation payments or for those business years in which the governmental subdivision offers or mandates a budget or salary savings program, as certified to the executive director by a resolution of the governing body of the governmental subdivision. For an authorized leave of absence, the period for which allowable salary credit may be purchased may not exceed 12 months of authorized leave.~~

~~(h) To purchase (g) If the member has purchased 12 months of differential salary credit for a subsequent period of temporary workers' compensation benefits or subsequent authorized medical leave of absence, the member must return to public service and render a minimum of three months of allowable service to purchase differential salary credit for a subsequent leave of absence.~~

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

Sec. 2. Minnesota Statutes 2014, section 353.32, subdivision 1, is amended to read:

Subdivision 1. **Before retirement.** If a member or former member ~~who terminated public service~~ dies before ~~retirement or before~~ receiving any retirement annuity and no other payment of any kind is or may become payable to any person, a refund is payable to the designated beneficiary or, if there be none, to the surviving spouse, or, if none, to the legal representative of the decedent's estate. The refund must be in an amount equal to accumulated deductions, less the sum of any disability or survivor benefits that have been paid by the fund, plus annual compound interest thereon at the rate specified in section 353.34, subdivision 2, ~~and less the sum of any disability or survivor benefits, if any, that may have been paid by the fund;~~ provided that a survivor who has a right to benefits under section 353.31 may waive such benefits in writing, except such benefits for a dependent child under the age of 18 years may only be waived under an order of the district court.

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

Sec. 3. Minnesota Statutes 2014, section 353.34, subdivision 2, is amended to read:

Subd. 2. **Refund with interest.** (a) Except as provided in subdivision 1, any person who ceases to be a public employee is entitled to receive a refund in an amount equal to accumulated deductions ~~with,~~ less the sum of any disability benefits that have been paid by the fund, plus annual compound interest to the first day of the month in which the refund is processed.

(b) For a person who ceases to be a public employee before July 1, 2011, the refund interest is at the rate of six percent to June 30, 2011, and at the rate of four percent after June 30, 2011. For a person who ceases to be a public employee after July 1, 2011, the refund interest is at the rate of four percent.

(c) If a person repays a refund and subsequently applies for another refund, the repayment amount, including interest, is added to the fiscal year balance in which the repayment was made.

(d) If the refund payable to a member is based on employee deductions that are determined to be invalid under section 353.27, subdivision 7, the interest payable on the invalid employee deductions is four percent.

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

Sec. 4. Minnesota Statutes 2015 Supplement, section 353.64, subdivision 10, is amended to read:

Subd. 10. **Pension coverage for Hennepin Healthcare System, Inc.; paramedics and emergency medical technicians.** An employee of Hennepin Healthcare System, Inc. is a member of the public employees police and fire retirement plan under sections 353.63 to 353.68 if the person is:

(1) certified as a paramedic or emergency medical technician by the state under section 144E.28, subdivision 4;

(2) employed full time by Hennepin County as:

(i) a paramedic ~~or~~;

(ii) an emergency medical technician ~~by Hennepin County~~; or

(iii) a supervisor or manager of paramedics or emergency medical technicians; and

(3) not eligible for coverage under the agreement signed between the state and the secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act applicable to paramedics and emergency medical technicians because the person's position is excluded after that date from application under United States Code, title 42, sections 418(d)(5)(A) and 418(d)(8)(D), and section 355.07.

Hennepin Healthcare System, Inc. shall deduct the employee contribution from the salary of each full-time paramedic and emergency medical technician it employs as required by section 353.65, subdivision 2, shall make the employer contribution for each full-time paramedic and emergency medical technician it employs as required by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4.

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

Sec. 5. **REPEALER.**

(a) Minnesota Statutes 2014, section 353.0161, subdivision 1, is repealed.

(b) Minnesota Statutes 2015 Supplement, section 353.0161, subdivisions 2 and 3, are repealed.

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

ARTICLE 5  
ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION  
ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2014, section 354A.093, subdivision 4, is amended to read:

Subd. 4. **Eligible payment period.** (a) To receive service credit under this section, the contributions specified in this section must be transmitted to the ~~applicable first-class city~~ St. Paul Teachers Retirement Fund Association during the period which begins with the date the individual returns to teaching service and which has a duration of three times the length of the uniformed service period, but not to exceed five years.

(b) Notwithstanding paragraph (a), if the payment period determined under paragraph (a) is less than one year, the contributions required under this section to receive service credit may be made within one year from the discharge date.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 354A.093, subdivision 6, is amended to read:

Subd. 6. **Interest requirements.** The employer shall pay interest on all equivalent employee and employer contribution amounts payable under this section. ~~Interest must be computed at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually~~ from the end of each fiscal year of the leave or break in service to the end of the month in which payment is received at the annual compound rate of 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter.

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

Sec. 3. Minnesota Statutes 2015 Supplement, section 354A.096, is amended to read:

**354A.096 MEDICAL LEAVE.**

Any teacher in the coordinated program of the St. Paul Teachers Retirement Fund Association who is on an authorized medical leave of absence and subsequently returns to teaching service is entitled to receive allowable service credit, not to exceed one year, for the period of leave, upon making the prescribed payment to the fund. This payment must include the required employee and employer contributions at the rates specified in section 354A.12, subdivisions 1 and 2a, as applied to the member's average full-time monthly salary rate on the date the leave of absence commenced plus ~~annual~~ interest compounded annually from the end of the fiscal year during which the leave terminates to the end of the month during which payment is made at the rate of 8.5 percent ~~until for any period, or portion thereof, through~~ June 30, 2015, and eight percent thereafter ~~per year from the end of the fiscal year during which the leave terminates to the end of the month during which payment is made.~~ The member must pay the total amount required unless the employing unit, at its option, pays the employer contributions. The total amount required must be paid by the end of the fiscal year following the fiscal year in which the leave of absence terminated or before the member retires, whichever is earlier. Payment must be accompanied by a copy of the resolution or action of the employing authority granting the leave and the employing authority, upon granting the leave, must certify the leave to the association in a manner specified by the executive director. A member may not receive more than one year of allowable service credit during any fiscal year by making payment under this section. A member may not receive disability benefits under section 354A.36 and receive allowable service credit under this section for the same period of time.

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

Sec. 4. Minnesota Statutes 2014, section 354A.38, as amended by Laws 2015, chapter 68, article 2, section 15, is amended to read:

**354A.38 EFFECT OF REFUND; REPAYMENT OF REFUND.**

Subdivision 1. **Effect of refund; termination of service credit.** If a coordinated member or former coordinated member applies for and ~~accepts~~ is issued a refund pursuant to section 354A.37, all allowable service which was credited to the member or former member shall be terminated.

Subd. 2. **Repayment of refund.** A coordinated member with at least two years of allowable service credited subsequent to the member's last application for and ~~acceptance~~ payment of a refund pursuant to section 354A.37 shall be entitled to repay the refund. The amount of the refund repayment shall be calculated pursuant to subdivision 3. If the member has ~~previously applied for and accepted~~ taken more than one refund, ~~and the previous refund or all refunds have not been~~ must be repaid pro rata, ~~then the member shall be entitled only to repay all outstanding refunds and shall not be entitled to repay only the most recent refund.~~

Subd. 3. **Computation of refund repayment amount.** If the coordinated member elects to repay a refund under subdivision 2, the repayment to the fund must be in an amount equal to the refunds the member has ~~accepted~~ been issued plus interest ~~at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter~~ compounded annually from the date that the refund was ~~accepted~~ issued to the date that the refund is repaid at a rate of 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter.

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

ARTICLE 6  
RETIREMENT SYSTEMS, GENERALLY, ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2014, section 356.30, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; computation of annuity.** (a) Notwithstanding any provisions of the laws governing the retirement plans enumerated in subdivision 3, a person who has met the qualifications of paragraph (b) may elect to receive:

(1) a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, based on the allowable service in each plan; and subject to the provisions of paragraph (c); and

(2) augmentation of a deferred annuity calculated at the appropriate rate under the laws governing the applicable enumerated retirement plan.

(b) A person may receive, upon retirement, a retirement ~~annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service~~ annuities as described in paragraph (a), clause (1), and augmentation of a any deferred annuity ~~calculated at the appropriate rate under the laws governing each public pension plan or fund named in subdivision 3, based on the date of the person's initial entry into public employment from the date the person terminated all public service~~ as described in paragraph (a), clause (2), if:

(1) the person has allowable service in any two or more of the enumerated plans;

(2) the person has sufficient allowable service in total that equals or exceeds the applicable service credit vesting requirement of the retirement plan with the longest applicable service credit vesting requirement; ~~and~~

(3) the person has not begun to receive an annuity from any enumerated plan ~~or the person has made application for benefits from each applicable plan before terminating all public service;~~ and

(4) the effective dates of the retirement annuity with each plan under which the person chooses to receive an annuity are within a one-year period.

(c) The retirement annuity from each plan must be based upon the allowable service, accrual rates, and average salary in the applicable plan except as further specified or modified in the following clauses:

(1) the laws governing annuities must be the law in effect on the date of termination from the last period of public service under a covered retirement plan with which the person earned a minimum of one-half year of allowable service credit during that employment;

(2) the "average salary" on which the annuity from each covered plan in which the employee has credit in a formula plan must be based on the employee's highest five successive years of covered salary during the entire service in covered plans;

(3) the accrual rates to be used by each plan must be those percentages prescribed by each plan's formula as continued for the respective years of allowable service from one plan to the next, recognizing all previous allowable service with the other covered plans;

(4) the allowable service in all the plans must be combined in determining eligibility for and the application of each plan's provisions in respect to reduction in the annuity amount for retirement prior to normal retirement age; and

(5) the annuity amount payable for any allowable service under a nonformula plan of a covered plan must not be affected, but such service and covered salary must be used in the above calculation.

(d) This section does not apply to any person whose final termination from the last public service under a covered plan was before May 1, 1975.

(e) For the purpose of computing annuities under this section, the accrual rates used by any covered plan, except the public employees police and fire plan, the judges retirement fund, and the State Patrol retirement plan, must not exceed 2.7 percent per year of service for any year of service or fraction thereof. The formula percentage used by the judges retirement fund must not exceed 3.2 percent per year of service for any year of service or fraction thereof. The accrual rate used by the public employees police and fire plan and the State Patrol retirement plan must not exceed 3.0 percent per year of service for any year of service or fraction thereof. The accrual rate or rates used by the legislators retirement plan must not exceed 2.5 percent, but this limit does not apply to the adjustment provided under section 3A.02, subdivision 1, paragraph (c).

(f) Any period of time for which a person has credit in more than one of the covered plans must be used only once for the purpose of determining total allowable service.

(g) If the period of duplicated service credit is more than one-half year, or the person has credit for more than one-half year, with each of the plans, each plan must apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were paid to that fund for the period divided by the total salary on which deductions were paid to all plans for the period.

(h) If the period of duplicated service credit is less than one-half year, or when added to other service credit with that plan is less than one-half year, the service credit must be ignored and a refund of contributions made to the person in accord with that plan's refund provisions.

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



Sec. 2. Minnesota Statutes 2015 Supplement, section 356.50, subdivision 2, is amended to read:

Subd. 2. **Service credit procedure.** (a) To obtain the public pension plan allowable service credit, the eligible person under subdivision 1 shall pay the required member contribution amount. The required member contribution amount is the member contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the unpaid gross salary amounts of the back pay award including unemployment insurance, workers' compensation, or wages from other sources which reduced the back award. No contributions may be made under this clause for compensation covered by a public pension plan listed in section 356.30, subdivision 3, for employment during the removal period. The person shall pay the required member contribution amount within 60 days of the date of receipt of the back pay award or within 60 days of a billing from the retirement fund, whichever is later.

(b) The public employer who wrongfully discharged the public employee must pay an employer contribution on the back pay award. The employer contribution must be based on the employer contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the salary amount on which the member contribution amount was determined under paragraph (a). The employer must pay the interest on both the required member and employer contribution amount must be paid by the employer amounts from the date the contribution amount would have been paid to the date of actual payment at the annual compound rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent until for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3, per year, expressed monthly, between the date the contribution amount would have been paid to the date of actual payment. The employer payment must be made within 30 days of the payment under paragraph (a).

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

Sec. 3. Minnesota Statutes 2015 Supplement, section 356.551, subdivision 2, is amended to read:

Subd. 2. **Determination.** (a) Unless the minimum purchase amount set forth in paragraph (c) applies, the prior service credit purchase amount is an amount equal to the actuarial present value, on the date of payment, as calculated by the chief administrative officer of the pension plan and reviewed by the actuary retained under section 356.214, of the amount of the additional retirement annuity obtained by the acquisition of the additional service credit in this section.

(b) Calculation of this amount must be made using the preretirement interest rate applicable to the public pension plan specified in section 356.215, subdivision 8, and the mortality table adopted for the public pension plan. The calculation must assume continuous future service in the public pension plan until, and retirement at, the age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision 4 ~~&~~ 8.

(c) The prior service credit purchase amount may not be less than the amount determined by applying, for each year or fraction of a year being purchased, the sum of the employee contribution rate, the employer contribution rate, and the additional employer contribution rate, if any, applicable during that period, to the person's annual salary during that period, or fractional portion of a year's salary, if applicable, plus interest ~~at the annual rate of 8.5 percent until June 30, 2015, and eight percent thereafter~~ compounded annually from the end of the year in which contributions would otherwise have been made to the date on which the payment is received at the rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3.

(d) Unless otherwise provided by statutes governing a specific plan, payment must be made in one lump sum within one year of the prior service credit authorization or prior to the member's effective date of retirement, whichever is earlier. Payment of the amount calculated under this section must be made by the applicable eligible person.

(e) However, the current employer or the prior employer may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest ~~at the rate of 8.5 percent a year~~ compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made at the rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3. If the employer agrees to payments under this subdivision, the purchaser must make the employee payments required under this subdivision within 90 days of the prior service credit authorization. If that employee payment is made, the employer payment under this subdivision must be remitted to the chief administrative officer of the public pension plan within 60 days of receipt by the chief administrative officer of the employee payments specified under this subdivision.

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

Sec. 4. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

Subd. 9a. **Definitions.** (a) The following definitions apply for purposes of this subdivision and subdivisions 10 to 12.

(b) "Annual addition" means the sum for the limitation year of all pretax and after-tax contributions made by the member or the member's employer and credited to an account in the name of the member in any defined contribution plan maintained by the employer.

(c) "Compensation" means the compensation actually paid or made available to a member for any limitation year, including all items of remuneration described in Code of Federal Regulations, title 26, section 1.415(c)-2(b), and excluding all items of remuneration described in Code of Federal Regulations, title 26, section 1.415(c)-2(c). Compensation for pension plan purposes for any limitation year shall not exceed the applicable federal compensation limit described in section 356.611, subdivision 2.

(d) "Limitation year" means the calendar year or fiscal year, whichever is applicable to the particular pension plan.

(e) "Maximum permissible benefit" means an annual benefit of \$160,000, automatically adjusted under section 415(d) of the Internal Revenue Code for each limitation year ending after December 31, 2001, payable in the form of a single life annuity. The new limitation shall apply to limitation years ending with or within the calendar year of the date of the adjustment, but a member's benefits shall not reflect the adjusted limit prior to January 1 of that calendar year. The maximum permissible benefit amount shall be further adjusted as follows:

(1) if the member has less than ten years of participation, the maximum permissible benefit shall be multiplied by a fraction, the numerator of which is the number of years (or part thereof, but not less than one year) of participation in the plan, and the denominator of which is ten;

(2) if the annual benefit begins before the member has attained age 62, the determination as to whether the maximum permissible benefit limit has been satisfied shall be made, in accordance with regulations prescribed by the United States secretary of the treasury, by reducing the limit so that the limit, as so reduced, equals an annual benefit, beginning when the annual benefit actually begins, which is equivalent to a \$160,000, as adjusted, annual benefit beginning at age 62; and

(3) if the annual benefit begins after the member has attained age 65, the determination as to whether the maximum permissible benefit limit has been satisfied shall be made, in accordance with regulations prescribed by the United States secretary of the treasury, by increasing the limit so that the limit, as so increased, equals an annual benefit, beginning when the annual benefit actually begins, which is equivalent to a \$160,000, as adjusted, annual benefit beginning at age 65.

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

Sec. 5. Minnesota Statutes 2015 Supplement, section 356.635, subdivision 10, is amended to read:

Subd. 10. **Annual benefit limitations; defined benefit plans.** (a) The annual benefit payable to a member shall not exceed the maximum permissible benefit. If the benefit the member would otherwise receive for a limitation year would result in the payment of an annual benefit in excess of the maximum permissible benefit, the benefit shall be reduced to the extent necessary so the benefit does not exceed the maximum permissible benefit.

(b) For purposes of applying the ~~limits of section 415(b) of the Internal Revenue Code~~, a retirement limitation in paragraph (a), an annual benefit that is payable in any form other than a single life annuity ~~and that is subject to section 417(e)(3) of the Internal Revenue Code~~ must shall be adjusted to an actuarially equivalent single life annuity that equals, if the annuity starting date is in a plan year beginning after 2005, the annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the ~~participant's~~ member's form of benefit, using whichever of the following produces the greatest annual amount:

(1) the interest rate and the mortality table or other tabular factor specified in the plan for adjusting benefits in the same form;

(2) a 5.5 percent interest rate assumption and the applicable mortality table; or

(3) the applicable interest rate under section 417(e)(3) of the Internal Revenue Code and the applicable mortality table, divided by 1.05.

(c) If a member participated in more than one pension plan in which the employer participates, the benefits under each plan must be reduced proportionately to satisfy the limitation in paragraph (a).

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

Sec. 6. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

Subd. 11. **Annual addition limitation; defined contribution plans.** The annual additions by or on behalf of a member to a defined contribution plan for any limitation year shall not exceed the lesser of (1) 100 percent of the member's compensation for the limitation year or (2) the dollar limit in effect for the limitation year under section 415(c)(1)(A) of the Internal Revenue Code, as adjusted by the United States secretary of the treasury under section 415(d)(1)(C) of the Internal Revenue Code.

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

Sec. 7. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

**Subd. 12. Incorporation by reference.** Any requirements of section 415(b) and (c) of the Internal Revenue Code and related regulations and agency guidance not addressed by subdivisions 10 and 11 shall be considered incorporated by reference, including provisions applicable to qualified police and firefighters and to survivor and disability benefits. Subdivisions 10 to 12 shall be interpreted in a manner that is consistent with the requirements of section 415(b) and (c) of the Internal Revenue Code and the related regulations.

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

Sec. 8. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

**Subd. 13. Correction of errors.** The executive director of each plan may correct an operational, demographic, employer eligibility, or plan document error as the executive director deems necessary or appropriate to preserve and protect the plan's tax qualification under section 401(a) of the Internal Revenue Code, including as provided in the Internal Revenue Service's Employee Plans Compliance Resolution System (EPCRS) or any successor thereto. To the extent deemed necessary by the executive director to implement correction, the executive director may:

(1) make distributions;

(2) transfer assets; or

(3) recover an overpayment by reducing future benefit payments or designating appropriate revenue or source of funding that will restore to the plan the amount of the overpayment.

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

Sec. 9. Minnesota Statutes 2014, section 356.96, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) Unless the language or context clearly indicates that a different meaning is intended, for the purpose of this section, the terms in ~~paragraphs (b) to (e)~~ this subdivision have the meanings given them.

(b) ~~"Chief administrative officer"~~ "Executive director" means the executive director of a covered pension plan or the executive director's designee or representative.

(c) "Covered pension plan" means a plan enumerated in section 356.20, subdivision 2, clauses (1) to (4), (8), and (11) to (14), but does not mean the deferred compensation plan administered under sections 352.965 and 352.97 or ~~to~~ the postretirement health care savings plan administered under section 352.98.

(d) "Governing board" means the Board of Trustees of the Public Employees Retirement Association, the Board of Trustees of the Teachers Retirement Association, or the Board of Directors of the Minnesota State Retirement System.

(e) "Person" ~~includes~~ means an active, retired, deferred, or nonvested inactive participant in a covered pension plan or a beneficiary of a participant, or an individual who has applied to be a participant or who is or may be a survivor of a participant, or the representative of a state agency or other governmental unit that employs active participants in a covered pension plan.

(f) "Petitioner" means a person who has filed a petition for review of an executive director's determination under this section.

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

Sec. 10. Minnesota Statutes 2014, section 356.96, subdivision 2, is amended to read:

Subd. 2. **Right to review appeal to executive director; determination.** ~~A determination made by the chief administrative officer~~ person may appeal a decision by the staff of a covered pension plan regarding a the person's eligibility, benefits, or other rights under the plan with which the person does not agree to the executive director of the plan. The appeal must be in writing and be delivered to the executive director. The executive director may overturn, modify, or affirm the staff's decision. The executive director's determination is subject to review under this section.

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

Sec. 11. Minnesota Statutes 2014, section 356.96, subdivision 3, is amended to read:

Subd. 3. **Notice of determination.** ~~If the applicable chief administrative officer denies an application or a written request, modifies a benefit, or terminates a benefit of a person claiming a right or potential rights under a covered pension plan, the chief administrative officer shall notify that person through a written notice containing:~~ The executive director shall issue a written notice of determination to the person who files an appeal under subdivision 2. The notice of determination must be delivered by certified mail to the address to which the most recent benefit payment was sent or, if that address is that of a financial institution, to the last known address of the person. The notice of determination shall include the following:

(1) a statement of the reasons for the determination;

(2) a ~~notice~~ statement that the person may petition the governing board of the covered pension plan for a review of the determination and that a person's petition for review must be filed in the administrative office of the covered pension plan ~~within~~ no later than 60 days ~~of the receipt~~ after the date of the written notice of ~~the~~ determination;

(3) a statement indicating that a failure to petition for review within 60 days precludes the person from ~~contesting in any other further administrative or judicial review or court procedure the issues determined by the chief administrative officer~~ of the executive director's determination;

(4) a statement indicating that all relevant materials, documents, affidavits, and other records that the person wishes to be reviewed in support of the petition and a list of any witnesses who will testify before the governing board, along with a summary of their testimony, must be filed with ~~and received in~~ the administrative office of the covered pension plan at least 15 days before the date of the hearing under subdivision 10 or as directed by the administrative law judge who conducts a fact-finding conference under subdivision 7, paragraph (b), or a contested case hearing under subdivision 12, paragraph (b); and

(5) a summary of this section, including all filing requirements and deadlines; and

(6) the statement required under subdivision 4, paragraph (a), if applicable.

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

Sec. 12. Minnesota Statutes 2014, section 356.96, subdivision 4, is amended to read:

Subd. 4. **Termination of benefits.** (a) ~~If a covered pension plan decides to~~ the executive director's determination will terminate a benefit that is being paid to a person, ~~before terminating the benefit, the chief administrative officer must, in addition to the other procedures prescribed in this section, provide the individual with written notice of the pending benefit termination by certified mail. The notice must explain the reason for the pending benefit termination. The person must be given an~~ the notice of determination must also state that the person has the opportunity to explain, in writing, in person, by telephone, or by e-mail, the reasons that the benefit should not be terminated.

(b) ~~If the chief administrative officer is unable to contact the person and~~ notice of determination is returned as undeliverable, and the person cannot be reached by any other reasonable means of communication, and the executive director determines that a failure to terminate the benefit will result in unauthorized payment by a covered pension plan, ~~the chief administrative officer~~ executive director may terminate the benefit immediately ~~upon mailing~~ a written notice containing the information required by subdivision 3 to the address to which the most recent benefit payment was sent and, if that address is that of a financial institution, to the last known address of the person.

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

Sec. 13. Minnesota Statutes 2014, section 356.96, subdivision 5, is amended to read:

Subd. 5. **Petition for review.** (a) Upon receipt of the notice of determination required in subdivision 3, a person who claims a right under subdivision 2 may petition the governing board of the covered pension plan for a review of that decision by the governing board of the covered pension plan the executive director's determination.

(b) ~~A petition under this section must be sent to the chief administrative officer by mail and must be postmarked. The petitioner must file the petition for review with the administrative office of the covered pension plan no later than 60 days after the person received date of the notice of determination required by subdivision 3. Filing of the petition is effective upon mailing or personal delivery. The petition must include the person's petitioner's statement of the reason or reasons that the person believes the decision of the chief administrative officer determination of the executive director should be reversed or modified. The petition may include all documentation and written materials that the petitioner deems to be relevant. In developing a record for review by the board when a decision is appealed, the chief administrative officer may direct that the applicant participate in a fact finding session conducted by an administrative law judge assigned by the Office of Administrative Hearings and, as applicable, participate in a vocational assessment conducted by a qualified rehabilitation counselor on contract with the applicable retirement system.~~

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

Sec. 14. Minnesota Statutes 2014, section 356.96, subdivision 6, is amended to read:

Subd. 6. **Failure to petition.** If a timely petition for review under subdivision 5 is not filed with the ~~chief administrative officer,~~ office of the covered pension plan's plan, the executive director's determination is final and is not subject to further administrative or judicial review.

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

Sec. 15. Minnesota Statutes 2014, section 356.96, subdivision 7, is amended to read:

Subd. 7. **Notice of hearing; fact-finding; filing and timing requirements.** (a) After receiving a petition, the ~~chief administrative officer~~ executive director must schedule a timely hearing to review ~~of~~ the petition before the governing board of the covered pension plan or the executive director may defer the scheduling of a hearing until after a fact-finding conference under paragraph (b). ~~The review must be scheduled to take into consideration any necessary accommodations to allow the petitioner to participate in the governing board's review.~~

(b) The executive director may direct the petitioner to participate in a fact-finding conference conducted by an administrative law judge assigned by the Office of Administrative Hearings. The fact-finding conference is an informal proceeding not subject to the provisions of Minnesota Rules, chapter 1400, except that part 1400.7300 shall govern the admissibility of evidence and part 1400.8603 shall govern how the fact-finding conference is conducted. The administrative law judge must issue a report and a recommendation to the governing board.

(c) If the petitioner's claim relates to disability benefits, the executive director may direct the petitioner to participate in a vocational assessment conducted by a qualified rehabilitation counselor under contract with the covered pension plan. The counselor must issue a report regarding the assessment to the governing board.

~~(b)~~ (d) Not less than 30 calendar days before the date scheduled for the hearing date before the governing board, the chief administrative officer executive director must provide by mail to notify the petitioner an acknowledgment of the receipt of the person's petition and a follow up notice of the time and place of the meeting at which the governing board is scheduled to consider the petition and conduct the hearing. If there has been no fact-finding conference under paragraph (b), not less than 15 days before the date scheduled for the hearing, the petitioner and the executive director must provide a copy to the governing board and the other party copies of all relevant documents, documentary evidence, summaries, and recommendations assembled by or on behalf of the plan administration to be considered by the governing board that will be presented and a list of witnesses who will testify, along with a summary of their testimony.

~~(c)~~ all documents and materials that the petitioner wishes to be part of the record for review must be filed with the chief administrative officer and must be received in the offices of the covered pension plan at least 15 days before the date of the meeting at which the petition is scheduled to be heard.

~~(d)~~ (e) The petitioner may request a continuance postponement of a the date scheduled for the hearing if the request is received by the chief administrative officer within before the governing board within a reasonable time, but no later than ten calendar days of before the scheduled hearing date of the applicable board meeting. The chief administrative officer must reschedule the review within a reasonable time. only one continuance may be granted to any petitioner. A petitioner shall be granted only one postponement unless the applicable covered pension plan agrees to additional postponements.

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

Sec. 16. Minnesota Statutes 2014, section 356.96, subdivision 8, is amended to read:

Subd. 8. **Record for review.** (a) All evidence, including all records, documents, and affidavits in the possession of the covered pension plan of which the covered pension plan desires to avail itself and be considered by the governing board, and all evidence which the petitioner wishes to present to the governing board, including any evidence which would otherwise be classified by law as "private," must be made part of the hearing record.

(b) The ~~chief administrative officer~~ executive director must provide a copy of the record to each member of the governing board at least ~~seven~~ five days before the scheduled hearing date.

(c) ~~Any additional document, affidavit, or other relevant information that the petitioner requests be part of the record may be admitted with the consent of the governing board. If a fact-finding conference under subdivision 7, paragraph (b), is not conducted, the record is limited to those materials provided to the petitioner in accordance with subdivision 7, paragraph (d), those filed by the petitioner with the covered pension plan in a timely manner in accordance with subdivision 7, paragraph (e), any vocational assessment report under subdivision 7, paragraph (c), and any testimony at the hearing before the governing board. Any additional evidence may be placed in the record pursuant to subdivision 10, paragraph (b).~~

(d) If a fact-finding conference under subdivision 7, paragraph (b), or a contested case hearing under subdivision 12, paragraph (b), is conducted, the record before the governing board must be limited to the following:

(1) the record from the Office of Administrative Hearings;

(2) seven-page submissions by the petitioner and a representative of the covered pension plan commenting on the administrative law judge's recommendation; and

(3) any vocational assessment report under subdivision 7, paragraph (c).

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

Sec. 17. Minnesota Statutes 2014, section 356.96, subdivision 9, is amended to read:

Subd. 9. **Amended determination.** At any time before the hearing before the governing board, for good cause shown and made part of the records of the plan, the ~~chief administrative officer~~ executive director may reverse, alter, amend, or modify the prior decision which is subject to review under this section by issuing an amended ~~decision~~ determination to the petitioner. Upon doing so, the ~~chief administrative officer~~ executive director may cancel the governing board's scheduled review of the person's petition and ~~shall so~~ notify the petitioner.

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

Sec. 18. Minnesota Statutes 2014, section 356.96, subdivision 10, is amended to read:

Subd. 10. **Board hearing.** (a) The governing board shall hold a timely hearing on a petition for review as part of a regularly scheduled board meeting, or as part of a special meeting if so scheduled. All governing board members who participate in the decision-making process must be familiar with the record. The governing board shall make its decision on a petition solely on the record as submitted and on the proceedings of the hearing.

(b) At the hearing, the petitioner, the petitioner's ~~attorney representative, if any, and the chief administrative officer~~ executive director and a representative of the covered pension plan who does not also serve as the governing board's legal advisor during the board's decision-making process, may state and discuss with the governing board their positions with respect to the petition. If no fact-finding conference under subdivision 7, paragraph (b), or contested case hearing under subdivision 12, paragraph (b), was conducted, additional evidence may be received in the form of testimony from previously disclosed witnesses. The governing board may allow further documentation to be placed in the record at the board meeting only with the agreement of both the ~~chief administrative officer~~ executive director and the petitioner. The ~~chief administrative officer~~ executive director may not otherwise participate in the board's decision-making process.



~~(b) When a petition presents a contested issue of law, an assistant attorney general may participate and may argue on behalf of the legal position taken by the chief administrative officer if that assistant attorney general does not also serve as the governing board's legal advisor during the board's decision-making process.~~

~~(c) A motion by a board member, supported by a summary of the relevant facts, conclusions and reasons, as properly amended and approved by a majority of the governing board, constitutes the board's final decision. A verbatim statement of the board's final decision must be served upon the petitioner. If the decision is contrary to the petitioner's desired outcome, the notice shall inform the petitioner of the appeal rights set forth in subdivision 13.~~

~~(d) (c) If a petitioner who received timely notice of a scheduled hearing fails to appear, the governing board may nevertheless hear the petition and issue a decision.~~

(d) The governing board's decision shall be made upon a motion by a board member and approval by a majority of the governing board. The governing board must issue its decision as a written order containing findings of fact, conclusions of law, and the board's decision no later than 30 days after the hearing. If the decision is contrary to the petitioner's desired outcome, the notice must inform the petitioner of the appeal rights set forth in subdivision 13.

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

Sec. 19. Minnesota Statutes 2014, section 356.96, subdivision 11, is amended to read:

Subd. 11. **Disability medical issues.** ~~(a) If a person petitions the governing board the petitioner seeks to reverse or modify a determination which found by the executive director that there exists no was insufficient medical data supporting to support an application for disability benefits, the governing board may reverse that determination only if there is in fact medical evidence supporting the application. The governing board has the discretion to resubmit a disability benefit application at any time to a medical advisor for reconsideration, and the resubmission may include an instruction that further medical examinations be obtained.~~

~~(b) The governing board may make a determination contrary to the recommendation of the medical advisor only if there is expert medical evidence in the record to support its contrary decision. If there is no medical evidence contrary to the opinion of the medical advisor in the record and the medical advisor attests that the decision was made in accordance with the applicable disability standard, the board must follow the decision of the medical advisor regarding the cause of the disability.~~

~~(c) The obligation of the governing board to follow the decision of the medical advisor under paragraph (b) does not apply to instances when the governing board makes a determination different from the recommendation of the medical advisor on issues that do not involve medical issues.~~

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

Sec. 20. Minnesota Statutes 2014, section 356.96, subdivision 12, is amended to read:

Subd. 12. **Referral for administrative hearing.** ~~(a) Notwithstanding any provision of sections 14.03, 14.06, and 14.57 to 14.69 to the contrary, a challenge to a determination of the chief administrative officer of a covered pension plan A fact-finding conference under subdivision 7, paragraph (b), must be conducted exclusively under the procedures set forth in this section and is not as a contested case under chapter 14.~~

~~(b) Notwithstanding the provisions of paragraph (a), A governing board, in its sole discretion, may refer a petition brought under this section to the Office of Administrative Hearings for a contested case hearing under sections 14.57 to 14.69.~~

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

Sec. 21. Minnesota Statutes 2014, section 356.96, subdivision 13, is amended to read:

Subd. 13. **Appeal of the governing board's decision; judicial review.** ~~Within~~ No later than 60 days ~~of~~ after the date of the mailing of the notice of the governing board's decision, the petitioner may appeal the decision by filing a writ of certiorari with the Court of Appeals under section 606.01 and Rule 115 of the Minnesota Rules of Civil Appellate Procedure. Failure by a person to appeal to the Court of Appeals within the 60-day period precludes the person from later raising, in any subsequent administrative hearing or court proceeding, ~~those~~ substantive and procedural issues that reasonably should have been raised upon a timely appeal.

Sec. 22. **REPEALER.**

Minnesota Statutes 2014, sections 356.611, subdivisions 3, 3a, 4, and 5; and 356.96, subdivisions 14 and 15, are repealed.

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

ARTICLE 7  
ACTUARIAL ASSUMPTION CHANGES

Section 1. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 8, is amended to read:

Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the applicable following interest assumption:

~~(1) select and ultimate interest rate assumption~~

<del>plan</del>	<del>ultimate interest rate assumption</del>
<del>teachers retirement plan</del>	<del>8.5%</del>

~~The select preretirement interest rate assumption for the period through June 30, 2017, is eight percent.~~

~~(2) single rate interest rate assumption~~

<del>plan</del>	<del>interest rate assumption</del>
general state employees retirement plan	8%
correctional state employees retirement plan	8
State Patrol retirement plan	8
legislators retirement plan, and for the constitutional officers calculation of total plan liabilities	0
judges retirement plan	8
general public employees retirement plan	8
public employees police and fire retirement plan	8
local government correctional service retirement plan	8
<u>teachers retirement plan</u>	<u>8</u>
St. Paul teachers retirement plan	8
Bloomington Fire Department Relief Association	6
local monthly benefit volunteer firefighter relief associations	5
monthly benefit retirement plans in the statewide volunteer firefighter retirement plan	6

(b)(1) If funding stability has been attained, the valuation must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 7~~; 354A.29, subdivision 9½ or 356.415, subdivision 1, whichever applies.

(2) If funding stability has not been attained, the valuation must use a select postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 6a~~; 354A.29, subdivision 8½ or 356.415, subdivision 1a, 1b, 1c, 1d, 1e, or 1f, whichever applies, for a period ending when the approved actuary estimates that the plan will attain the defined funding stability measure, and thereafter an ultimate postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate under section ~~354A.27, subdivision 7~~; 354A.29, subdivision 9½ or 356.415, subdivision 1, for the applicable period or periods beginning when funding stability is projected to be attained.

(c) The actuarial valuation must use the applicable following single rate future salary increase assumption, the applicable following modified single rate future salary increase assumption, or the applicable following graded rate future salary increase assumption:

(1) single rate future salary increase assumption

plan	future salary increase assumption
legislators retirement plan	5%
judges retirement plan	2.75
Bloomington Fire Department Relief Association	4

(2) ~~age-related future salary increase age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption~~

plan	future salary increase assumption
local government correctional service retirement plan	assumption B
St. Paul teachers retirement plan	assumption A

~~For plans other than the St. Paul Teachers Retirement plan and the local government correctional service retirement plan, the select calculation is: Fund Association, during the a designated select period of 15 years, in addition to the age-based rates shown below, a designated percentage rate of 0.2 percent is multiplied by the result of the designated integer 15 minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The designated select period is ten years and the designated integer is ten for the local government correctional service retirement plan and 15 for the St. Paul Teachers Retirement Fund Association. The designated percentage rate is 0.2 percent for the St. Paul Teachers Retirement Fund Association.~~

The ultimate future salary increase assumption is:

age	A	B
16	5.9%	8.75%
17	5.9	8.75
18	5.9	8.75
19	5.9	8.75
20	5.9	8.75
21	5.9	8.5
22	5.9	8.25
23	5.85	8
24	5.8	7.75
25	5.75	7.5
26	5.7	7.25
27	5.65	7
28	5.6	6.75
29	5.55	6.5
30	5.5	6.5
31	5.45	6.25
32	5.4	6.25
33	5.35	6.25
34	5.3	6
35	5.25	6
36	5.2	5.75
37	5.15	5.75
38	5.1	5.75
39	5.05	5.5
40	5	5.5
41	4.95	5.5
42	4.9	5.25
43	4.85	5
44	4.8	5
45	4.75	4.75
46	4.7	4.75
47	4.65	4.75
48	4.6	4.75
49	4.55	4.75
50	4.5	4.75
51	4.45	4.75
52	4.4	4.75
53	4.35	4.75
54	4.3	4.75
55	4.25	4.5
56	4.2	4.5
57	4.15	4.25
58	4.1	4
59	4.05	4
60	4	4
61	4	4
62	4	4

63	4	4
64	4	4
65	4	3.75
66	4	3.75
67	4	3.75
68	4	3.75
69	4	3.75
70	4	3.75

(3) service-related ~~ultimate~~ future salary increase assumption

general state employees retirement plan of the Minnesota State Retirement System	assumption A
general employees retirement plan of the Public Employees Retirement Association	assumption B
Teachers Retirement Association	assumption C
public employees police and fire retirement plan	assumption D
State Patrol retirement plan	assumption E
correctional state employees retirement plan of the Minnesota State Retirement System	assumption F

service length	A	B	C	D	E	F
1	<del>10.25</del> <u>14%</u>	<del>11.78</del> <u>11.5%</u>	<del>12</del> <u>9.5%</u>	12.75%	7.75%	5.75%
2	<del>7.85</del> <u>11.5</u>	<del>8.65</del> <u>8.5</u>	<del>9</del> <u>9.5</u>	10.75	7.25	5.6
3	<del>6.65</del> <u>6.25</u>	<del>7.21</del> <u>7</u>	<del>8</del> <u>7.75</u>	8.75	6.75	5.45
4	<del>5.95</del> <u>5.5</u>	<del>6.33</del> <u>6</u>	<del>7.5</del> <u>7.25</u>	7.75	6.5	5.3
5	<del>5.45</del> <u>5.25</u>	<del>5.72</del> <u>5.5</u>	<del>7.25</del> <u>7</u>	6.25	6.25	5.15
6	<del>5.05</del> <u>5.15</u>	<del>5.27</del> <u>5.2</u>	7	5.85	6	5
7	<del>4.75</del> <u>5</u>	<del>4.91</del> <u>4.9</u>	6.85	5.55	5.75	4.85
8	<del>4.45</del> <u>4.75</u>	<del>4.62</del> <u>4.8</u>	6.7	5.35	5.6	4.7
9	<del>4.25</del> <u>4.5</u>	<del>4.38</del> <u>4.7</u>	6.55	5.15	5.45	4.55
10	<del>4.15</del> <u>4.25</u>	<del>4.17</del> <u>4.5</u>	6.4	5.05	5.3	4.4
11	<del>3.95</del> <u>4.2</u>	<del>3.99</del> <u>4.25</u>	6.25	4.95	5.15	4.3
12	<del>3.85</del> <u>4.15</u>	<del>3.83</del> <u>4.1</u>	6	4.85	5	4.2
13	<del>3.75</del> <u>4.1</u>	<del>3.69</del> <u>4</u>	5.75	4.75	4.85	4.1
14	<del>3.55</del> <u>4.05</u>	<del>3.57</del> <u>3.9</u>	5.5	4.65	4.7	4
15	<del>3.45</del> <u>4</u>	<del>3.45</del> <u>3.9</u>	5.25	4.55	4.55	3.9
16	<del>3.35</del> <u>3.95</u>	<del>3.35</del> <u>3.85</u>	5	4.55	4.4	3.8
17	<del>3.25</del> <u>3.9</u>	<del>3.26</del> <u>3.8</u>	4.75	4.55	4.25	3.7
18	<del>3.25</del> <u>3.85</u>	<del>3.25</del> <u>3.75</u>	4.5	4.55	4.1	3.6
19	<del>3.25</del> <u>3.8</u>	<del>3.25</del> <u>3.75</u>	<del>4.25</del> <u>4.3</u>	4.55	3.95	3.5
20	<del>3.25</del> <u>3.75</u>	<del>3.25</del> <u>3.75</u>	<del>4</del> <u>4.2</u>	4.55	3.8	3.5
21	<del>3.25</del> <u>3.7</u>	<del>3.25</del> <u>3.75</u>	<del>3.9</del> <u>4.1</u>	4.45	3.75	3.5
22	<del>3.25</del> <u>3.65</u>	<del>3.25</del> <u>3.7</u>	<del>3.8</del> <u>4</u>	4.35	3.75	3.5
23	<del>3.25</del> <u>3.6</u>	<del>3.25</del> <u>3.6</u>	<del>3.7</del> <u>3.9</u>	4.25	3.75	3.5
24	<del>3.25</del> <u>3.55</u>	<del>3.25</del> <u>3.6</u>	<del>3.6</del> <u>3.8</u>	4.25	3.75	3.5
25	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.6</u>	<del>3.5</del> <u>3.7</u>	4.25	3.75	3.5
26	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	<del>3.5</del> <u>3.6</u>	4.25	3.75	3.5
27	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
28	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
29	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
30 or more	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5

(d) The actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

plan	payroll growth assumption
general state employees retirement plan of the Minnesota State Retirement System	3.5%
correctional state employees retirement plan	3.5
State Patrol retirement plan	3.5
judges retirement plan	2.75
general employees retirement plan of the Public Employees Retirement Association	3.5
public employees police and fire retirement plan	3.5
local government correctional service retirement plan	3.5
teachers retirement plan	<del>3.75</del> 3.5
St. Paul teachers retirement plan	4

(e) The assumptions set forth in paragraphs (c) and (d) continue to apply, unless a different salary assumption or a different payroll increase assumption:

(1) has been proposed by the governing board of the applicable retirement plan;

(2) is accompanied by the concurring recommendation of the actuary retained under section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most recent actuarial valuation report if section 356.214 does not apply; and

(3) has been approved or deemed approved under subdivision 18.

**EFFECTIVE DATE.** This section is effective July 1, 2016, and applies to actuarial valuations prepared on or after that date.

## ARTICLE 8 VOLUNTEER FIREFIGHTER RELIEF ASSOCIATIONS MODIFICATIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353G.02, subdivision 6, is amended to read:

Subd. 6. **Initial administrative expenses of the monthly benefit retirement division; allocation of reimbursement.** (a) The administration expenses incurred by the Public Employees Retirement Association in the establishment of the monthly benefit retirement division of the voluntary statewide volunteer firefighter retirement plan, including any computer programming expenses and any actuarial consultant expenses, are payable from the assets of the initial monthly benefit volunteer firefighter relief association that elects to transfer its administration to the voluntary statewide volunteer firefighter retirement plan, following the transfer of assets.

(b) ~~The administrative expenses in excess of \$33,600 paid under paragraph (a) must be reimbursed by the next nine monthly benefit volunteer firefighter relief associations that transfer plan administration to the voluntary statewide volunteer firefighter retirement plan. The reimbursement charge for each of the nine is three tenths of one percent of the market value of assets of the volunteer firefighter relief association as of December 31, 2012. The reimbursement amounts, up to the amount of administrative expenses actually incurred under paragraph (a) in excess of \$33,600, must be credited to the account of the fire department associated with the former monthly benefit volunteer firefighter relief association that first transferred plan administration to the volunteer firefighter retirement plan.~~

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

Sec. 2. **[424A.003] CERTIFICATION OF SERVICE CREDIT.**

(a) When a municipal fire department, a joint powers fire department, or an independent nonprofit firefighting corporation is directly associated with the volunteer firefighters relief association, the fire chief shall certify annually by March 31 the service credit for the previous calendar year of each volunteer firefighter rendering active service with the fire department.

(b) The certification shall be made to an officer of the relief association's board of trustees and to the municipal clerk or clerk-treasurer of the largest municipality in population served by the associated fire department.

(c) The fire chief shall notify each volunteer firefighter rendering active service with the fire department of the amount of service credit rendered by the firefighter for the previous calendar year. The service credit notification and a description of the process and deadlines for the firefighter to challenge the fire chief's determination of service credit must be provided to the firefighter 60 days prior to its certification to the relief association and municipality. If the service credit amount is challenged, the fire chief shall accept and consider any additional pertinent information and shall make a final determination of service credit.

(d) The service credit certification must be expressed as the number of completed months of the previous year during which an active volunteer firefighter rendered at least the minimum level of duties as specified and required by the fire department under the rules, regulations, and policies applicable to the fire department. No more than one year of service credit may be certified for a calendar year.

(e) If a volunteer firefighter who is a member of the relief association leaves active firefighting service to render active military service that is required to be governed by the federal Uniformed Services Employment and Reemployment Rights Act, as amended, the firefighter must be certified as providing service credit for the period of the military service, up to the applicable limit of the federal Uniformed Services Employment and Reemployment Rights Act. If the volunteer firefighter does not return from the military service in compliance with the federal Uniformed Services Employment and Reemployment Rights Act, the service credits applicable to that military service credit period are forfeited and canceled at the end of the calendar year in which the time limit set by federal law occurs.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

Sec. 3. Minnesota Statutes 2014, section 424A.01, is amended by adding a subdivision to read:

Subd. 4a. **Prohibition on receipt of concurrent service credit.** No firefighter may be credited with service credit in a volunteer firefighters relief association for the same hours of service for which coverage is already provided in a fund operated pursuant to chapter 353.

**EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to service rendered on or after that date.

Sec. 4. Minnesota Statutes 2014, section 424A.01, is amended by adding a subdivision to read:

Subd. 5a. **Volunteer emergency medical personnel.** Volunteer emergency medical personnel are eligible to be members of the applicable volunteer firefighters relief association and to qualify for service pension or other benefit coverage of the relief association on the same basis as fire department personnel who perform or supervise fire suppression or fire prevention duties, if:

(1) the fire department employs or otherwise uses the services of persons solely as volunteer emergency medical personnel to perform emergency medical response duties or supervise emergency medical response activities;

(2) the bylaws of the relief association authorize the eligibility; and

(3) the eligibility is approved by:

(i) the municipality, if the fire department is a municipal department;

(ii) the joint powers board, if the fire department is a joint powers entity; or

(iii) the contracting municipality or municipalities, if the fire department is an independent nonprofit firefighting corporation.

**EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to service rendered on or after that date.

Sec. 5. Minnesota Statutes 2014, section 424A.015, is amended by adding a subdivision to read:

Subd. 7. **Combined service pensions.** (a) A volunteer firefighter with credit for service as an active firefighter in more than one volunteer firefighters relief association is entitled to a prorated service pension from each relief association if:

(1) the articles of incorporation or bylaws of the relief associations provide;

(2) the applicable requirements of paragraphs (b) and (c) are met; and

(3) the volunteer firefighter otherwise qualifies.

(b) A volunteer firefighter receiving a prorated service pension under this subdivision must have a total combined amount of service credit from the two or more relief associations of ten years or more, unless the bylaws of every affected relief association specify less than a ten-year service vesting requirement, in which case, the total amount of required service credit is the longest service vesting requirement of the relief associations. The member must have one year or more of service credit in each relief association. The prorated service pension must be based on:

(1) for defined benefit relief associations, the service pension amount in effect for the relief association on the date on which active volunteer firefighting services covered by that relief association terminate; and

(2) for defined contribution relief associations, the member's individual account balance on the date on which active volunteer firefighting services covered by that relief association terminate.

(c) To receive a prorated service pension under this subdivision, the firefighter must become a member of the second or succeeding association and must give notice of membership to the prior association within two years of the date of termination of active service with the prior association. The second or subsequent relief association secretary must certify the notice.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

Sec. 6. Minnesota Statutes 2015 Supplement, section 424A.02, subdivision 3, is amended to read:

Subd. 3. **Flexible service pension maximums.** (a) Annually on or before August 1 as part of the certification of the financial requirements and minimum municipal obligation determined under section 424A.092, subdivision 4, or 424A.093, subdivision 5, as applicable, the secretary or some other official of the relief association designated in the bylaws of each defined benefit relief association shall calculate and certify to the governing body of the applicable municipality the average amount of available financing per active covered firefighter for the most recent three-year



period. The amount of available financing includes any amounts of fire state aid and police and firefighter retirement supplemental state aid received or receivable by the relief association, any amounts of municipal contributions to the relief association raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued liabilities of the relief association calculated under section 424A.092, subdivision 2; 424A.093, subdivisions 2 and 4; or 424A.094, subdivision 2, if any.

(b) The maximum service pension which the defined benefit relief association has authority to provide for in its bylaws for payment to a member retiring after the calculation date when the minimum age and service requirements specified in subdivision 1 are met must be determined using the table in paragraph (c) or (d), whichever applies.

(c) For a defined benefit relief association where the governing bylaws provide for a monthly service pension to a retiring member, the maximum monthly service pension amount per month for each year of service credited that may be provided for in the bylaws is the greater of the service pension amount provided for in the bylaws on the date of the calculation of the average amount of the available financing per active covered firefighter or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$ ...	\$.25
41	.50
81	1.00
122	1.50
162	2.00
203	2.50
243	3.00
284	3.50
324	4.00
365	4.50
405	5.00
486	6.00
567	7.00
648	8.00
729	9.00
810	10.00
891	11.00
972	12.00
1053	13.00
1134	14.00
1215	15.00
1296	16.00
1377	17.00
1458	18.00
1539	19.00
1620	20.00
1701	21.00
1782	22.00
1823	22.50
1863	23.00

1944	24.00
2025	25.00
2106	26.00
2187	27.00
2268	28.00
2349	29.00
2430	30.00
2511	31.00
2592	32.00
2673	33.00
2754	34.00
2834	35.00
2916	36.00
2997	37.00
3078	38.00
3159	39.00
3240	40.00
3321	41.00
3402	42.00
3483	43.00
3564	44.00
3645	45.00
3726	46.00
3807	47.00
3888	48.00
3969	49.00
4050	50.00
4131	51.00
4212	52.00
4293	53.00
4374	54.00
4455	55.00
4536	56.00
4617	57.00
4698	58.00
4779	59.00
4860	60.00
4941	61.00
5022	62.00
5103	63.00
5184	64.00
5265	65.00
5346	66.00
5427	67.00
5508	68.00
5589	69.00
5670	70.00
5751	71.00
5832	72.00
5913	73.00
5994	74.00

6075	75.00
6156	76.00
6237	77.00
6318	78.00
6399	79.00
6480	80.00
6561	81.00
6642	82.00
6723	83.00
6804	84.00
6885	85.00
6966	86.00
7047	87.00
7128	88.00
7209	89.00
7290	90.00
7371	91.00
7452	92.00
7533	93.00
7614	94.00
7695	95.00
7776	96.00
7857	97.00
7938	98.00
8019	99.00
8100	100.00
any amount in excess of 8100	100.00

(d) For a defined benefit relief association in which the governing bylaws provide for a lump-sum service pension to a retiring member, the maximum lump-sum service pension amount for each year of service credited that may be provided for in the bylaws is the greater of the service pension amount provided for in the bylaws on the date of the calculation of the average amount of the available financing per active covered firefighter or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter for the applicable specified period:

Minimum Average Amount of Available Financing per Firefighter	Maximum Lump-Sum Service Pension Amount Payable for Each Year of Service
\$ ...	\$10
11	20
16	30
23	40
27	50
32	60
43	80
54	100
65	120
77	140
86	160
97	180

108	200
131	240
151	280
173	320
194	360
216	400
239	440
259	480
281	520
302	560
324	600
347	640
367	680
389	720
410	760
432	800
486	900
540	1000
594	1100
648	1200
702	1300
756	1400
810	1500
864	1600
918	1700
972	1800
1026	1900
1080	2000
1134	2100
1188	2200
1242	2300
1296	2400
1350	2500
1404	2600
1458	2700
1512	2800
1566	2900
1620	3000
1672	3100
1726	3200
1753	3250
1780	3300
1820	3375
1834	3400
1888	3500
1942	3600
1996	3700
2023	3750
2050	3800
2104	3900
2158	4000

2212	4100
2265	4200
2319	4300
2373	4400
2427	4500
2481	4600
2535	4700
2589	4800
2643	4900
2697	5000
2751	5100
2805	5200
2859	5300
2913	5400
2967	5500
3021	5600
3075	5700
3129	5800
3183	5900
3237	6000
3291	6100
3345	6200
3399	6300
3453	6400
3507	6500
3561	6600
3615	6700
3669	6800
3723	6900
3777	7000
3831	7100
3885	7200
3939	7300
3993	7400
4047	7500
4101	7600
4155	7700
4209	7800
4263	7900
4317	8000
4371	8100
4425	8200
4479	8300
4533	8400
4587	8500
4641	8600
4695	8700
4749	8800
4803	8900
4857	9000
4911	9100

4965	9200
5019	9300
5073	9400
5127	9500
5181	9600
5235	9700
5289	9800
5343	9900
5397	10,000
<u>any amount in excess of 5451</u>	<u>10,100</u>
<u>5397 5505</u>	<u>10,200</u>
<u>5559</u>	<u>10,300</u>
<u>5613</u>	<u>10,400</u>
<u>5667</u>	<u>10,500</u>
<u>5721</u>	<u>10,600</u>
<u>5775</u>	<u>10,700</u>
<u>5829</u>	<u>10,800</u>
<u>5883</u>	<u>10,900</u>
<u>5937</u>	<u>11,000</u>
<u>5991</u>	<u>11,100</u>
<u>6045</u>	<u>11,200</u>
<u>6099</u>	<u>11,300</u>
<u>6153</u>	<u>11,400</u>
<u>6207</u>	<u>11,500</u>
<u>6261</u>	<u>11,600</u>
<u>6315</u>	<u>11,700</u>
<u>6369</u>	<u>11,800</u>
<u>6423</u>	<u>11,900</u>
<u>6477</u>	<u>12,000</u>
<u>6531</u>	<u>12,100</u>
<u>6585</u>	<u>12,200</u>
<u>6639</u>	<u>12,300</u>
<u>6693</u>	<u>12,400</u>
<u>6747</u>	<u>12,500</u>
<u>6801</u>	<u>12,600</u>
<u>6855</u>	<u>12,700</u>
<u>6909</u>	<u>12,800</u>
<u>6963</u>	<u>12,900</u>
<u>7017</u>	<u>13,000</u>
<u>7071</u>	<u>13,100</u>
<u>7125</u>	<u>13,200</u>
<u>7179</u>	<u>13,300</u>
<u>7233</u>	<u>13,400</u>
<u>7287</u>	<u>13,500</u>
<u>7341</u>	<u>13,600</u>
<u>7395</u>	<u>13,700</u>
<u>7449</u>	<u>13,800</u>
<u>7503</u>	<u>13,900</u>
<u>7557</u>	<u>14,000</u>
<u>7611</u>	<u>14,100</u>
<u>7665</u>	<u>14,200</u>

<u>7719</u>	<u>14,300</u>
<u>7773</u>	<u>14,400</u>
<u>7827</u>	<u>14,500</u>
<u>7881</u>	<u>14,600</u>
<u>7935</u>	<u>14,700</u>
<u>7989</u>	<u>14,800</u>
<u>8043</u>	<u>14,900</u>
<u>8097</u>	<u>15,000</u>
<u>any amount in excess of 8097</u>	<u>15,000</u>

(e) For a defined benefit relief association in which the governing bylaws provide for a monthly benefit service pension as an alternative form of service pension payment to a lump-sum service pension, the maximum service pension amount for each pension payment type must be determined using the applicable table contained in this subdivision.

(f) If a defined benefit relief association establishes a service pension in compliance with the applicable maximum contained in paragraph (c) or (d) and the minimum average amount of available financing per active covered firefighter is subsequently reduced because of a reduction in fire state aid or because of an increase in the number of active firefighters, the relief association may continue to provide the prior service pension amount specified in its bylaws, but may not increase the service pension amount until the minimum average amount of available financing per firefighter under the table in paragraph (c) or (d), whichever applies, permits.

(g) No defined benefit relief association is authorized to provide a service pension in an amount greater than the largest applicable flexible service pension maximum amount even if the amount of available financing per firefighter is greater than the financing amount associated with the largest applicable flexible service pension maximum.

(h) The method of calculating service pensions must be applied uniformly for all years of active service. Credit must be given for all years of active service except for caps on service credit if so provided in the bylaws of the relief association.

**EFFECTIVE DATE; LOCAL APPROVAL.** (a) For relief associations other than the Eden Prairie volunteer firefighters relief association, this section is effective January 1, 2017.

(b) For the Eden Prairie volunteer firefighters relief association, this section is effective the day after the city council of Eden Prairie and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3, or January 1, 2017, whichever is earlier.

Sec. 7. Minnesota Statutes 2014, section 424B.20, subdivision 4, is amended to read:

Subd. 4. **Benefit trust fund establishment.** (a) After the settlement of nonbenefit legal obligations of the special fund of the volunteer firefighters relief association under subdivision 3, the board of the relief association shall transfer the remaining assets of the special fund, as securities or in cash, as applicable, to the chief financial official of the municipality in which the associated fire department was located if the fire department was a municipal fire department or to the chief financial official of the municipality with the largest population served by the fire department if the fire department was an independent nonprofit firefighting corporation. If the fire department was a joint powers entity, the remaining assets of the special fund shall be transferred to the chief financial official of the municipality designated as the fiscal agent in the joint powers agreement or, if the agreement does not designate a municipality as the fiscal agent, the remaining assets of the special fund shall be transferred to the chief financial official of the municipality with the largest population served by the joint powers fire department. The board shall also compile a schedule of the relief association members to whom a service pension is or will be

owed, any beneficiary to whom a benefit is owed, the amount of the service pension or benefit payable based on the applicable bylaws and state law and the service rendered to the date of the dissolution, and the date on which the pension or benefit would first be payable under the bylaws of the relief association and state law.

(b) The municipality ~~in which is located~~ receiving the remaining assets of the special fund of a volunteer firefighters relief association that is dissolving under this section shall establish a separate account in the municipal treasury which must function as a trust fund for members of the volunteer firefighters relief association and their beneficiaries to whom the volunteer firefighters relief association owes a service pension or other benefit under the bylaws of the relief association and state law. Upon proper application, on or after the initial date on which the service pension or benefit is payable, the municipal treasurer shall pay the pension or benefit due, based on the schedule prepared under paragraph (a) and the other records of the dissolved relief association. The trust fund under this section must be invested and managed consistent with chapter 356A and section 424A.095. Upon payment of the last service pension or benefit due and owing, any remaining assets in the trust fund cancel to the general fund of the municipality; or, if the fire department was a joint powers entity, any remaining assets in the trust fund cancel to the general fund of each municipality that was a contracting party to the joint powers agreement as specified in the joint powers agreement. If the joint powers agreement does not specify how the remaining assets are to be distributed among the contracting parties, each of the contracting parties shall receive a pro rata share of the remaining assets based on the proportion of total operating contributions each contracting municipality made to the joint powers entity over the most recent ten calendar years. If the special fund of the volunteer firefighters relief association had an unfunded actuarial accrued liability upon dissolution, the municipality is liable for that unfunded actuarial accrued liability. If the fire department was a joint powers entity, the contracting municipalities are liable for their share of the unfunded actuarial accrued liability as specified in the joint powers agreement. If the joint powers agreement does not specify liability for any unfunded actuarial accrued liability, the contracting municipalities are liable for their pro rata share of the unfunded actuarial accrued liability based on the proportion of total operating contributions each contracting municipality made to the joint powers entity over the most recent ten calendar years.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

Sec. 8. **EDEN PRAIRIE VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION SERVICE PENSIONS; RETURN TO ACTIVE SERVICE.**

(a) Notwithstanding any provision of Minnesota Statutes, section 424A.01, subdivision 6, section 424A.02, subdivision 2, or any other provision of law to the contrary, if the bylaws of the Eden Prairie volunteer firefighters relief association so provide, a former firefighter who has received a lump-sum service pension or is receiving a monthly benefit service pension and returns to active relief association membership under Minnesota Statutes, section 424A.01, subdivision 6, paragraph (b), is entitled to receive an unreduced lump-sum service pension for the resumption service period if the firefighter completes at least three years of active service as an active member of the fire department during the resumption service period and completes at least three years of active membership with the relief association during the resumption service period.

(b) A lump-sum service pension must be calculated by applying the service pension amount in effect on the date of the firefighter's termination of the resumption service for all years of the resumption service. No firefighter may be paid a service pension more than once for the same period of service. Payment of a lump-sum service pension shall have no effect on the firefighter's previous service pension.

**EFFECTIVE DATE.** This section is effective the day after the Eden Prairie City Council and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.



Sec. 9. **COLERAINE AND BOVEY VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATIONS; CONSOLIDATION.**

Subdivision 1. **Consolidation.** Notwithstanding any provision of Minnesota Statutes, section 424B.02, subdivision 2, paragraph (c), to the contrary, the Coleraine and Bovey volunteer firefighters relief associations are consolidated effective September 1, 2016, if all other consolidation requirements are satisfied pursuant to Minnesota Statutes, chapter 424B.

Subd. 2. **Reporting.** The consolidated relief association created under subdivision 1 shall report the number of active firefighter members of the relief association as of September 1, 2016, to the state auditor and to the commissioner of revenue no later than September 7, 2016. The commissioner may use this information to determine and calculate any minimum fire state aid payable under Minnesota Statutes, section 69.021, beginning with aid payable in 2016.

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

Sec. 10. **REPEALER.**

Minnesota Statutes 2014, section 424A.02, subdivision 13, is repealed.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

ARTICLE 9  
MSRS-ADMINISTERED RETIREMENT PLAN MODIFICATIONS

Section 1. Minnesota Statutes 2014, section 352.113, subdivision 2, is amended to read:

Subd. 2. **Application; accrual of benefits.** (a) An employee making claim for a total and permanent disability benefit, or someone acting on behalf of the employee upon proof of authority satisfactory to the director, shall file a written application for benefits in the office of the system on or before the deadline specified in subdivision 4, paragraph (g).

(b) The application must be in a form and manner prescribed by the executive director.

(c) The benefit shall begin to accrue the day following the start of disability or the day following the last day paid, whichever is later, but not earlier than 180 days before the date the application is filed with the director.

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

Sec. 2. Minnesota Statutes 2014, section 352.113, subdivision 4, is amended to read:

Subd. 4. **Medical or psychological examinations; authorization for payment of benefit.** (a) Any physician, psychologist, chiropractor, or physician assistant providing any service specified in this section must be licensed.

(b) An applicant shall provide a detailed report signed by a physician, and at least one additional report signed by a physician, chiropractor, psychologist, or physician assistant with evidence to support an application for total and permanent disability. The reports must include an expert opinion regarding whether the employee is permanently and totally disabled within the meaning of section 352.01, subdivision 17, and that the disability arose before the employee ~~was placed on any paid or unpaid leave of absence or terminated public service.~~

(c) If there is medical evidence that supports the expectation that at some point the person applying for the disability benefit will no longer be disabled, the decision granting the disability benefit may provide for a termination date upon which the total and permanent disability can be expected to no longer exist. When a termination date is part of the decision granting benefits, prior to the benefit termination the executive director shall review any evidence provided by the disabled employee to show that the disabling condition for which benefits were initially granted continues. If the benefits cease, the disabled employee may follow the appeal procedures described in section 356.96 or may reapply for disability benefits using the process described in this subdivision.

(d) Any claim to disability must be supported by a report from the employer indicating that there is no available work that the employee can perform with the disabling condition and that all reasonable accommodations have been considered. Upon request of the executive director, an employer shall provide evidence of the steps the employer has taken to attempt to provide reasonable accommodations and continued employment to the claimant.

(e) The director shall also obtain written certification from the employer stating whether the employment has ceased or whether the employee is on sick leave of absence because of a disability that will prevent further service to the employer and that the employee is not entitled to compensation from the employer.

(f) The medical adviser shall consider the reports of the physicians, physician assistants, psychologists, and chiropractors and any other evidence supplied by the employee or other interested parties. If the medical adviser finds the employee totally and permanently disabled, the adviser shall make appropriate recommendation to the director in writing together with the date from which the employee has been totally disabled. The director shall then determine if the disability occurred ~~within 18 months of filing the application,~~ while still in the employment of the state, ~~and the propriety of authorizing payment of a disability benefit as provided in this section~~ and constitutes a total and permanent disability as defined in section 353.01, subdivision 19.

(g) A terminated employee may apply for a disability benefit within 18 months of termination as long as the disability occurred while in the employment of the state. The fact that an employee is placed on leave of absence without compensation because of disability does not bar that employee from receiving a disability benefit.

(h) Upon appeal, the board of directors may extend the disability benefit application deadline in paragraph (g) by an additional 18 months if the terminated employee is determined by the board of directors to have a cognitive impairment that made it unlikely that the terminated employee understood that there was an application deadline or that the terminated employee was able to meet the application deadline.

(i) Unless the payment of a disability benefit has terminated because the employee is no longer totally disabled, or because the employee has reached normal retirement age as provided in this section, the disability benefit must cease with the last payment received by the disabled employee or which had accrued during the lifetime of the employee unless there is a spouse surviving. In that event, the surviving spouse is entitled to the disability benefit for the calendar month in which the disabled employee died.

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

ARTICLE 10  
PERA-ADMINISTERED RETIREMENT PLAN MODIFICATIONS

Section 1. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

Subd. 43. **Line of duty death.** "Line of duty death" means:

(1) a death that occurs while performing or as a direct result of performing normal or less frequent duties which are specific to protecting the property and personal safety of others and that present inherent dangers that are specific to the positions covered by the public employees police and fire plan; or

(2) a death that is determined by the commissioner of public safety to meet the requirements of section 299A.41, subdivision 3.

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

ARTICLE 11  
GENERALLY APPLICABLE RETIREMENT CHANGES

Section 1. Minnesota Statutes 2014, section 356.24, subdivision 1, is amended to read:

Subdivision 1. **Restriction; exceptions.** It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for or to contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits;

(3) to the individual retirement account plan established by chapter 354B;

(4) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;

(5) for employees other than personnel employed by the Board of Trustees of the Minnesota State Colleges and Universities and covered under the Higher Education Supplemental Retirement Plan under chapter 354C, but including city managers covered by an alternative retirement arrangement under section 353.028, subdivision 3, paragraph (a), or by the defined contribution plan of the Public Employees Retirement Association under section 353.028, subdivision 3, paragraph (b), if the supplemental plan coverage is provided for in a personnel policy of the public employer or in the collective bargaining agreement between the public employer and the exclusive representative of public employees in an appropriate unit or in the individual employment contract between a city and a city manager, and if for each available investment all fees and historic rates of return for the prior one-, three-, five-, and ten-year periods, or since inception, are disclosed in an easily comprehended document not to exceed two pages, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of one-half of the available elective deferral permitted per year per employee, under the Internal Revenue Code:

(i) to the state of Minnesota deferred compensation plan under section 352.965;

(ii) in payment of the applicable portion of the contribution made to any investment eligible under section 403(b) of the Internal Revenue Code, if the employing unit has complied with any applicable pension plan provisions of the Internal Revenue Code with respect to the tax-sheltered annuity program during the preceding calendar year; or

(iii) any other deferred compensation plan offered by the employer under section 457 of the Internal Revenue Code;

(6) for personnel employed by the Board of Trustees of the Minnesota State Colleges and Universities and not covered by clause (5), to the supplemental retirement plan under chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of the public employer with the

exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,700 a year for each employee;

(7) to a supplemental plan or to a governmental trust to save for postretirement health care expenses qualified for tax-preferred treatment under the Internal Revenue Code, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of a public employer with the exclusive representative of the covered employees in an appropriate unit;

(8) to the laborers national industrial pension fund or to a laborers local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of ~~\$5,000~~ \$7,000 per year per employee;

(9) to the plumbers and pipefitters national pension fund or to a plumbers and pipefitters local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(10) to the international union of operating engineers pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(11) to a supplemental plan organized and operated under the federal Internal Revenue Code, as amended, that is wholly and solely funded by the employee's accumulated sick leave, accumulated vacation leave, and accumulated severance pay;

(12) to the International Association of Machinists national pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(13) for employees of United Hospital District, Blue Earth, to the state of Minnesota deferred compensation program, if the employee makes a contribution, in an amount that does not exceed the total percentage of covered salary under section 353.27, subdivisions 3 and 3a;

(14) to the alternative retirement plans established by the Hennepin County Medical Center under section 383B.914, subdivision 5; or

(15) to the International Brotherhood of Teamsters Central States pension plan for fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission who are members of the International Brotherhood of Teamsters Local 638 by virtue of that employment.

Sec. 2. **[356.631] ADDITIONAL SOURCES OF FUNDING.**

Notwithstanding any other provision of law to the contrary, in addition to all sources of funding described in Minnesota Statutes, section 356.63, paragraphs (a) and (b), any public retirement plan described in Minnesota Statutes, section 356.63, paragraph (b), is authorized to accept, at its discretion, for deposit in its fund the following:

(1) gifts;

(2) donations;

(3) bequests; and

(4) life insurance death benefits.

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

Sec. 3. **REPEALER.**

Minnesota Statutes 2014, sections 352.04, subdivision 11; and 353.34, subdivision 6, are repealed.

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

ARTICLE 12  
SMALL GROUP RETIREMENT CHANGES

**Section 1. MSRS-GENERAL RETIREMENT ELIGIBILITY CLARIFICATION; SERVICE CREDIT PURCHASE IN CERTAIN INSTANCES.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is entitled to purchase prior uncredited service credit under paragraph (c) and, if the service credit purchase is made, to have an effective start date for active retirement plan membership of June 1, 1989, and to retire under Minnesota Statutes, section 352.116, subdivision 1.

(b) An eligible person is a person who:

(1) was born on the dates as follows:

<u>employee</u>	<u>birth date</u>
<u>A</u>	<u>October 2, 1968</u>
<u>B</u>	<u>June 12, 1965</u>
<u>C</u>	<u>August 10, 1958</u>
<u>D</u>	<u>April 29, 1963</u>
<u>E</u>	<u>April 11, 1955</u>
<u>F</u>	<u>August 13, 1966</u>
<u>G</u>	<u>April 22, 1961</u>
<u>H</u>	<u>December 31, 1958</u>
<u>I</u>	<u>October 10, 1966</u>
<u>J</u>	<u>February 4, 1961</u>
<u>K</u>	<u>August 21, 1963</u>
<u>L</u>	<u>January 23, 1960</u>
<u>M</u>	<u>September 19, 1966</u>
<u>N</u>	<u>November 3, 1961</u>
<u>O</u>	<u>June 13, 1958</u>
<u>P</u>	<u>June 23, 1954</u>
<u>Q</u>	<u>October 20, 1956</u>
<u>R</u>	<u>July 28, 1955</u>
<u>S</u>	<u>May 6, 1960</u>
<u>T</u>	<u>March 19, 1966</u>
<u>U</u>	<u>August 19, 1966</u>
<u>V</u>	<u>March 14, 1959</u>

(2) became an employee of the Minnesota Department of Transportation prior to July 1, 1989, in a position which was not covered by the general state employees retirement plan of the Minnesota State Retirement System;

(3) was eventually employed as a permanent employee after June 30, 1989, and covered by the general state employees retirement plan of the Minnesota State Retirement System on the dates as follows:

<u>employee</u>	<u>membership record date</u>
<u>A</u>	<u>September 27, 1989</u>
<u>B</u>	<u>September 27, 1989</u>
<u>C</u>	<u>September 26, 1989</u>
<u>D</u>	<u>September 27, 1989</u>
<u>E</u>	<u>September 26, 1989</u>
<u>F</u>	<u>September 13, 1989</u>
<u>G</u>	<u>September 1, 1989</u>
<u>H</u>	<u>September 27, 1989</u>
<u>I</u>	<u>September 27, 1989</u>
<u>J</u>	<u>September 13, 1989</u>
<u>K</u>	<u>September 13, 1989</u>
<u>L</u>	<u>September 26, 1989</u>
<u>M</u>	<u>August 30, 1989</u>
<u>N</u>	<u>September 26, 1989</u>
<u>O</u>	<u>September 13, 1989</u>
<u>P</u>	<u>September 27, 1989</u>
<u>Q</u>	<u>September 27, 1989</u>
<u>R</u>	<u>September 27, 1989</u>
<u>S</u>	<u>September 13, 1989</u>
<u>T</u>	<u>September 13, 1989</u>
<u>U</u>	<u>September 27, 1989</u>
<u>V</u>	<u>September 26, 1989</u>

(4) was sent annual statements by the Minnesota State Retirement System between July 1, 2005, and July 1, 2015, indicating eligibility for a retirement benefit under Minnesota Statutes, section 352.116, subdivision 1; and

(5) was sent notification from the Minnesota State Retirement System revising the start date for general state employees retirement plan membership from a date before July 1, 1989, to a date after June 30, 1989, and indicating consequent inapplicability of Minnesota Statutes, section 352.116, subdivision 1.

(c) An eligible person may purchase allowable service credit in the general state employees retirement plan of the Minnesota State Retirement System by paying an amount equal to the employer contributions and employee contributions that would have been paid from June 1, 1989, to the end of the month prior to the date the employee entered covered service plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually on the combined employer and employee contribution amount from the date the contributions would have been paid to the date the Minnesota State Retirement System receives payment for this service credit purchase. The payment must be made in a lump sum.

(d) An eligible person who purchases allowable service credit under paragraph (c) has a June 1, 1989, start date for the purpose of allowable service credited by the general state employees retirement plan of the Minnesota State Retirement System and is eligible for a retirement annuity under Minnesota Statutes, section 352.116, subdivision 1.

(e) Authority to purchase prior uncredited service credit under this section expires on July 1, 2017.

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

**Sec. 2. PERA-GENERAL; PURCHASE OF SERVICE CREDIT FOR ST. CLOUD STATE UNIVERSITY EMPLOYEE.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is entitled to purchase from the general employees retirement plan of the Public Employees Retirement Association allowable service credit under Minnesota Statutes, section 353.01, subdivision 16, for the period of service described in paragraph (c).

(b) An eligible person is a person who:

(1) was born on September 1, 1960;

(2) was an employee of St. Cloud State University on March 14, 2016;

(3) was a member of the general employees retirement plan of the Public Employees Retirement Association on March 14, 2016;

(4) was employed by St. Cloud Technical College on April 1, 1993, and was a member of the general employees retirement plan of the Public Employees Retirement Association; and

(5) changed employment within St. Cloud State University on February 22, 2006, and was erroneously placed into the higher education individual retirement account plan from February 22, 2006, until May 10, 2011, by the Minnesota State Colleges and Universities system.

(c) The period of uncredited service authorized for purchase is the period of February 22, 2006, until May 10, 2011, during which time the eligible person was erroneously placed into and contributed to the higher education individual retirement account plan.

(d) The eligible person's member contributions to the higher education individual retirement account plan must be transferred to the Public Employees Retirement Association with any earned investment returns on those contributions. The eligible person must pay the member contributions that the eligible person would have made to the Public Employees Retirement Association on the eligible person's compensation from the Minnesota State Colleges and Universities system for the period of service described in paragraph (c) as if the person had been covered by the Public Employees Retirement Association during the period, plus annual compound interest on that amount at the rate of 8.5 percent from February 22, 2006, until June 30, 2015, and eight percent from July 1, 2015, until the date on which payment is made to the Public Employees Retirement Association, less the transferred member contributions and investment earnings.

(e) Upon transfer of the equivalent member contribution amount and any additional payments under paragraph (d), the balance of the eligible person's higher education individual retirement account plan account must be transferred to the Public Employees Retirement Association within 60 days following the receipt of the eligible person's payment under paragraph (d).

(f) Upon the transfer of the amounts under paragraphs (d) and (e), the Minnesota State Colleges and Universities system shall pay the prior service credit purchase payment amount calculated under Minnesota Statutes, section 356.551, less any amounts received under paragraphs (d) and (e), within 60 days following the receipt of the eligible person's payment under paragraph (d).

(g) Upon the transfers and payments under paragraph (f), the eligible person must be credited by the Public Employees Retirement Association with allowable service credit for Minnesota State Colleges and Universities System employment from February 22, 2006, until May 10, 2011.

(h) Authority to make a service credit purchase under this section expires January 1, 2017.

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

**Sec. 3. TRA COVERAGE ELECTION AND PERA REFUND REPAYMENT AUTHORITY FOR CERTAIN MNSCU EMPLOYEE.**

(a) Notwithstanding any provision of Minnesota Statutes, chapter 353 or 354B, to the contrary, an eligible person described in paragraph (b) is eligible to become a coordinated member of the Teachers Retirement Association and to purchase service and salary credit in the Teachers Retirement Association coordinated plan retroactively from July 1, 2001, upon repaying a member contribution refund taken from the general employees retirement plan of the Public Employees Retirement Association under paragraph (c), upon making an election under paragraph (e), and upon making all required payments under paragraphs (f) and (g).

(b) An eligible person is a person who:

(1) was born April 4, 1956;

(2) was employed by a governmental subdivision in 1995, with retirement coverage in the general employees retirement plan of the Public Employees Retirement Association, for which a refund of member contributions and interest was taken before 2001;

(3) was employed by St. Cloud State University in the late 1990s, with retirement coverage in the general state employees retirement plan of the Minnesota State Retirement System;

(4) was hired as an academic advisor by St. Cloud State University on July 1, 2001, with retirement coverage in the higher education individual retirement account plan; and

(5) was not informed of the option to elect Teachers Retirement Association coverage in the coverage election authorized by Minnesota Statutes 2001, section 354B.21, so remained in the higher education individual retirement account plan.

(c) The refund repayment required by Minnesota Statutes, section 356.551, subdivision 1, paragraph (c), must be calculated under Minnesota Statutes, section 353.35, subdivision 1, paragraph (c).

(d) Authority to repay a refund under this section expires January 1, 2017.

(e) To be eligible for coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include all documentation of the applicability of this section and any other relevant information that the executive director may require. Teachers Retirement Association plan membership commences after the date of the retirement coverage election under this section and past salary and service credit is granted for past Minnesota State Colleges and Universities system employment from July 1, 2001, until the executive director receives the written application specified in this paragraph and receipts of the payments specified in paragraphs (c), (f), and (g). Coverage by the Teachers Retirement Association is in lieu of coverage by the individual retirement account plan.

(f) If the eligible person makes the retirement coverage election under paragraph (e), the eligible person's member contributions to the higher education individual retirement account plan must be transferred to the Teachers Retirement Association with any earned investment returns on those contributions. If the transferred member contributions and investment earnings are less than the calculated amount of the member contributions that the



eligible person would have made to the Teachers Retirement Association on the eligible person's compensation from the Minnesota State Colleges and Universities system for the period from July 1, 2001, to the date of the retirement coverage election if the person had been covered by the Teachers Retirement Association during the period, plus annual compound interest at the rate of 8.5 percent, then the eligible person shall pay the balance of that calculated member contribution obligation within 30 days of the retirement coverage election.

(g) Upon the transfer of the equivalent member contribution amount and any additional payment under paragraph (f), the balance of the eligible person's higher education individual retirement account plan account must be transferred to the Teachers Retirement Association. If the amounts under paragraph (f) and the individual retirement account plan balance under this paragraph are less than the prior service credit purchase payment amount calculated under Minnesota Statutes, section 356.551, the Minnesota State Colleges and Universities system shall pay the difference within 60 days of the retirement election date.

(h) The authority to make a retirement coverage election under this section expires January 1, 2017.

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

**Sec. 4. TRA COVERAGE FOR CERTAIN MESABI RANGE COMMUNITY AND TECHNICAL COLLEGE FACULTY MEMBERS.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is authorized to become a coordinated member of the Teachers Retirement Association and to purchase service and salary credit in the Teachers Retirement Association coordinated plan retroactive from July 19, 2000, or September 15, 2000, whichever is applicable, upon making an election under paragraph (c) and upon making all required payments under paragraphs (d) and (e).

(b) An eligible person is a person who:

(1) either:

(i) was born on September 25, 1964, and has been employed at Mesabi Range Community and Technical College and a contributing member of the higher education individual retirement account plan since July 19, 2000; or

(ii) was born on October 15, 1963, and has been employed at Mesabi Range Community and Technical College and a contributing member of the higher education individual retirement account plan since September 15, 2000;

(2) was classified in the unlimited full-time category on August 21, 2012;

(3) became eligible for an election of Teachers Retirement Association coverage under Laws 2009, chapter 169, article 6, section 1; and

(4) was not offered an election of Teachers Retirement Association coverage by the Minnesota State Colleges and Universities system.

(c) To be eligible for coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include all documentation of the applicability of this section and any other relevant information that the executive director may require. Teachers Retirement Association plan membership commences after the date of the retirement coverage election under this section and past salary and service credit is granted for past Minnesota State Colleges and Universities system employment from July 19, 2000, or September 15, 2000, whichever is applicable, until the executive director receives the written application specified in this paragraph and receipts of the payments specified in paragraphs (d) and (e). Coverage by the Teachers Retirement Association is in lieu of coverage by the individual retirement account plan.

(d) If the eligible person makes the retirement coverage election under paragraph (c), the eligible person shall make a contribution to the Teachers Retirement Association equal to the excess, if any, of the employee contributions that the eligible person would have made if the Teachers Retirement Association had provided coverage from July 19, 2000, or September 15, 2000, whichever is applicable, rather than the individual retirement account plan. These additional contribution amounts shall include 8.5 percent annual compound interest computed from the date the contribution would have been made if deducted from salary until paid. The total amount to be paid under this paragraph shall be determined by the executive director of the Teachers Retirement Association and written notification of the amount required under this paragraph must be transmitted to the eligible person.

(e) If payment is made under paragraph (d), the value of the applicable eligible person's higher education individual retirement account plan account shall be transferred to the Teachers Retirement Association.

(f) The Teachers Retirement Association shall determine the required purchase payment amount calculated under Minnesota Statutes, section 356.551, imposed upon the Teachers Retirement Association under this section due to the salary and service credit purchase.

(g) From the total amount computed under paragraph (f), the executive director of the Teachers Retirement Association shall subtract the amounts received under paragraphs (d) and (e). The Minnesota State Colleges and Universities system must transmit the remaining amount, if any, to the executive director of the Teachers Retirement Association within 60 days following the receipt of the payments under paragraphs (d) and (e).

(h) The authority to make a retirement coverage election under this section expires on January 1, 2017.

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

### ARTICLE 13 TECHNICAL CORRECTIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353.01, subdivision 16, is amended to read:

Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service" means:

(1) service during years of actual membership in the course of which employee deductions were withheld from salary and contributions were made at the applicable rates under section 353.27, 353.65, or 353E.03;

(2) periods of service covered by payments in lieu of salary deductions under sections 353.27, subdivisions 12 and 12a, and 353.35;

(3) service in years during which the public employee was not a member but for which the member later elected, while a member, to obtain credit by making payments to the fund as permitted by any law then in effect;

(4) a period of authorized leave of absence during which the employee receives pay as specified in subdivision 10, paragraph (a), clause (4) or (5), from which deductions for employee contributions are made, deposited, and credited to the fund;

(5) a period of authorized leave of absence without pay, or with pay that is not included in the definition of salary under subdivision 10, paragraph (a), clause (4) or (5), for which salary deductions are not authorized, and for which a member obtained service credit for up to 12 months of the authorized leave period by payment under section ~~353.0161~~ or 353.0162, to the fund made in place of salary deductions;

(6) a periodic, repetitive leave that is offered to all employees of a governmental subdivision. The leave program may not exceed 208 hours per annual normal work cycle as certified to the association by the employer. A participating member obtains service credit by making employee contributions in an amount or amounts based on the member's average salary, excluding overtime pay, that would have been paid if the leave had not been taken. The employer shall pay the employer and additional employer contributions on behalf of the participating member. The employee and the employer are responsible to pay interest on their respective shares at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter, compounded annually, from the end of the normal cycle until full payment is made. An employer shall also make the employer and additional employer contributions, plus 8.5 percent interest until June 30, 2015, and eight percent interest thereafter, compounded annually, on behalf of an employee who makes employee contributions but terminates public service. The employee contributions must be made within one year after the end of the annual normal working cycle or within 30 days after termination of public service, whichever is sooner. The executive director shall prescribe the manner and forms to be used by a governmental subdivision in administering a periodic, repetitive leave. Upon payment, the member must be granted allowable service credit for the purchased period;

(7) an authorized temporary or seasonal layoff under subdivision 12, limited to three months allowable service per authorized temporary or seasonal layoff in one calendar year. An employee who has received the maximum service credit allowed for an authorized temporary or seasonal layoff must return to public service and must obtain a minimum of three months of allowable service subsequent to the layoff in order to receive allowable service for a subsequent authorized temporary or seasonal layoff;

(8) a period during which a member is absent from employment by a governmental subdivision by reason of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), if the member returns to public service with the same governmental subdivision upon discharge from service in the uniformed service within the time frames required under United States Code, title 38, section 4312(e), provided that the member did not separate from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions. The service must be credited if the member pays into the fund equivalent employee contributions based upon the contribution rate or rates in effect at the time that the uniformed service was performed multiplied by the full and fractional years being purchased and applied to the annual salary rate. The annual salary rate is the average annual salary during the purchase period that the member would have received if the member had continued to be employed in covered employment rather than to provide uniformed service, or, if the determination of that rate is not reasonably certain, the annual salary rate is the member's average salary rate during the 12-month period of covered employment rendered immediately preceding the period of the uniformed service. Payment of the member equivalent contributions must be made during a period that begins with the date on which the individual returns to public employment and that is three times the length of the military leave period, or within five years of the date of discharge from the military service, whichever is less. If the determined payment period is less than one year, the contributions required under this clause to receive service credit may be made within one year of the discharge date. Payment may not be accepted following 30 days after termination of public service under subdivision 11a. If the member equivalent contributions provided for in this clause are not paid in full, the member's allowable service credit must be prorated by multiplying the full and fractional number of years of uniformed service eligible for purchase by the ratio obtained by dividing the total member contributions received by the total member contributions otherwise required under this clause. The equivalent employer contribution, and, if applicable, the equivalent additional employer contribution must be paid by the governmental subdivision employing the member if the member makes the equivalent employee contributions. The employer payments must be made from funds available to the employing unit, using the employer and additional employer contribution rate or rates in effect at the time that the uniformed service was performed, applied to the same annual salary rate or rates used to compute the equivalent member contribution. The governmental subdivision involved may appropriate money for those payments. The amount of service credit obtainable under this section may not exceed five years unless a longer purchase period is required under United States Code, title 38, section 4312. The employing unit shall pay interest on all equivalent member and employer contribution amounts payable under this clause. Interest must be computed

at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter, compounded annually, from the end of each fiscal year of the leave or the break in service to the end of the month in which the payment is received. Upon payment, the employee must be granted allowable service credit for the purchased period; or

(9) a period specified under section 353.0162.

(b) No member may receive more than 12 months of allowable service credit in a year either for vesting purposes or for benefit calculation purposes.

(c) For an active member who was an active member of the former Minneapolis Firefighters Relief Association on December 29, 2011, "allowable service" is the period of service credited by the Minneapolis Firefighters Relief Association as reflected in the transferred records of the association up to December 30, 2011, and the period of service credited under paragraph (a), clause (1), after December 30, 2011. For an active member who was an active member of the former Minneapolis Police Relief Association on December 29, 2011, "allowable service" is the period of service credited by the Minneapolis Police Relief Association as reflected in the transferred records of the association up to December 30, 2011, and the period of service credited under paragraph (a), clause (1), after December 30, 2011.

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

Sec. 2. Minnesota Statutes 2014, section 353.012, is amended to read:

**353.012 UNIVERSITY OF MINNESOTA EMPLOYEES; FURLOUGH SERVICE AND SALARY CREDIT.**

A furloughed employee of the University of Minnesota who is a member of the public employees police and fire plan may obtain allowable service and salary credit for the furlough period. The allowable service and salary credit authorization is a leave of absence authorization for purposes of section ~~353.0161 and the purchase payment procedure of section 353.0161, subdivision 2, applies~~ 353.0162.

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

Sec. 3. Minnesota Statutes 2014, section 353.32, subdivision 4, is amended to read:

Subd. 4. **Lack, or death, of beneficiary.** If a member or former member dies without having designated a beneficiary or if the beneficiary should die before making application for refund, and if there is no surviving spouse, and if the legal representative of such member or former member does not apply for refund within five years from the date of death of the member or former member, the accumulated deductions to the member or former member's credit at the time of death shall be disposed of in the manner provided in section ~~353.34, subdivision 6~~ 356.631.

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

Sec. 4. Minnesota Statutes 2014, section 354A.011, subdivision 29, is amended to read:

Subd. 29. **Vesting; vested.** ~~(\*)~~ "Vesting" or "vested" means having entitlement to a nonforfeitable annuity or benefit from ~~a the St. Paul Teachers Retirement Fund Association coordinated member program administered by a teachers retirement fund association by having credit for sufficient allowable service under paragraph (b) or (c), whichever applies~~ when the teacher has accrued credit for at least three years of allowable service.

~~(b) For purposes of qualifying for an annuity or a benefit as a coordinated plan member of the St. Paul Teachers Retirement Fund Association, the teacher is vested when the teacher has accrued credit for at least three years of service.~~

~~(c) For purposes of qualifying for an annuity or a benefit as a coordinated plan member of the Duluth Teachers Retirement Fund Association:~~

~~(1) a teacher who first became a member of the plan before July 1, 2010, is vested when the teacher has accrued at least three years of service; and~~

~~(2) a teacher who first became a member of the plan after June 30, 2010, is vested when the teacher has accrued at least five years of service.~~

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

Sec. 5. Minnesota Statutes 2014, section 354A.095, is amended to read:

**354A.095 PARENTAL AND MATERNITY LEAVE.**

Basic or coordinated members of the St. Paul Teachers Retirement Fund Association ~~and new coordinated members of the Duluth Teachers Retirement Fund Association~~, who are granted parental or maternity leave of absence by the employing authority, are entitled to obtain service credit not to exceed one year for the period of leave upon payment to the applicable fund by the end of the fiscal year following the fiscal year in which the leave of absence terminated. The amount of the payment must include the total required employee and employer contributions for the period of leave prescribed in section 354A.12. Payment must be based on the member's average monthly salary rate upon return to teaching service, and is payable without interest. Payment must be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave.

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

Sec. 6. Minnesota Statutes 2014, section 354A.35, subdivision 2, is amended to read:

Subd. 2. **Death while eligible to retire; surviving spouse optional annuity.** (a) The surviving spouse of a vested coordinated member who dies prior to retirement may elect to receive, instead of a refund with interest under subdivision 1, an annuity equal to the 100 percent joint and survivor annuity the member could have qualified for had the member terminated service on the date of death. The surviving spouse eligible for a surviving spouse benefit under this paragraph may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. A surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity at any time after the member's death. The member's surviving spouse shall be paid a joint and survivor annuity under section 354A.32 and computed under section 354A.31.

(b) If the member was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the member and surviving spouse on the date of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6, paragraph (a), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

~~(c) If a vested member of the Duluth Teachers Retirement Fund Association was under age 55 on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the survivor at the time of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6 or 7, to age 55 and one-half of the early retirement reduction from age 55 to the date payment begins.~~

~~(c)~~ (c) If a vested member of the St. Paul Teachers Retirement Fund Association was under age 55 on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the survivor at the time of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6 or 7, to age 55 and one-half of the actuarial equivalent reduction from age 55 to the date payment begins. The actuarial equivalent reduction is calculated so that the reduced annuity is the actuarial equivalent of the annuity that would be payable to the member if the member deferred receipt of the annuity and the annuity amount were augmented at an annual rate of 2.5 percent compounded annually from the day the annuity begins to accrue until the normal retirement age.

~~(d)~~ (d) Sections 354A.37, subdivision 2, and 354A.39 apply to a deferred annuity or surviving spouse benefit payable under this section. The benefits are payable for the life of the surviving spouse, or upon expiration of the term certain benefit payment under subdivision 2b.

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

Sec. 7. **REPEALER.**

(a) Minnesota Statutes 2014, sections 354A.12, subdivision 2c; 354A.31, subdivision 3; and 356.47, subdivision 1, are repealed.

(b) Minnesota Statutes 2015 Supplement, section 354A.12, subdivision 3c, is repealed.

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

Delete the title and insert:

"A bill for an act relating to retirement; modifying cost of living adjustments; eliminating cost of living adjustment triggers; increasing St. Paul Teachers Retirement Fund Association employer contributions; making administrative changes to the Minnesota State Retirement System, Teachers Retirement Association, Public Employees Retirement Association, and St. Paul Teachers Retirement Fund Association; clarifying refund repayment procedures; modifying executive director credentials; clarifying combined service annuity augmentation rates and service requirements; revising appeal procedures; clarifying coverage for charter school administrators; modifying service credit purchase procedures; establishing new procedures for disability applications due to private disability insurance requirements; clarifying death and disability benefit payment provisions; modifying annual benefit limitations for federal tax code compliance; authorizing use of IRS correction procedures; clarifying benefit offsets for certain refund payments; clarifying police and fire plan coverage for certain Hennepin Healthcare System supervisors; modifying various economic actuarial assumptions; adopting recommendations of the Volunteer Firefighter Relief Association Working Group; increasing relief association lump-sum service pension maximums; lowering certain vesting requirements for Eden Prairie Volunteer Firefighters Relief Association; providing for the consolidation of the Coleraine and Bovey Volunteer Firefighters Relief Associations; modifying the MSRS disability application deadlines in certain instances; adopting definition of the Hometown Heroes Act related to public safety officer death benefits; allowing service credit purchase and Rule of 90-eligibility for certain Minnesota Department of Transportation employees; authorizing MnSCU employees to elect retroactive and prospective TRA coverage; authorizing MnSCU employee to transfer past service from IRAP to PERA; increasing maximum employer contribution to a supplemental laborers pension fund; authorizing certain additional sources of retirement

plan funding; making technical and conforming changes; amending Minnesota Statutes 2014, sections 3A.03, subdivision 3; 16A.14, subdivision 2a; 352.03, subdivisions 5, 6; 352.113, subdivisions 2, 4; 353.01, subdivision 43; 353.012; 353.32, subdivisions 1, 4; 353.34, subdivision 2; 354.05, subdivision 2, by adding a subdivision; 354.06, subdivisions 2, 2a; 354.095; 354.45, by adding a subdivision; 354.46, subdivision 6; 354.48, subdivision 1; 354.52, subdivisions 4, 6; 354A.011, subdivision 29; 354A.093, subdivision 4; 354A.095; 354A.12, subdivision 2a; 354A.35, subdivision 2; 354A.38, as amended; 356.24, subdivision 1; 356.30, subdivision 1; 356.635, by adding subdivisions; 356.96, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 423A.02, subdivision 3; 424A.01, by adding subdivisions; 424A.015, by adding a subdivision; 424B.20, subdivision 4; 490.121, subdivisions 25, 26; Minnesota Statutes 2015 Supplement, sections 3A.03, subdivision 2; 352.23; 352B.11, subdivision 4; 352D.05, subdivision 4; 353.01, subdivision 16; 353.0162; 353.64, subdivision 10; 353G.02, subdivision 6; 354.44, subdivision 9; 354A.093, subdivision 6; 354A.096; 354A.29, subdivision 7; 356.215, subdivisions 8, 11; 356.415, subdivisions 1a, 1d, 1e, 1f; 356.50, subdivision 2; 356.551, subdivision 2; 356.635, subdivision 10; 424A.02, subdivision 3; 490.124, subdivision 12; proposing coding for new law in Minnesota Statutes, chapters 356; 424A; repealing Minnesota Statutes 2014, sections 352.04, subdivision 11; 353.0161, subdivision 1; 353.34, subdivision 6; 354A.12, subdivision 2c; 354A.31, subdivision 3; 356.47, subdivision 1; 356.611, subdivisions 3, 3a, 4, 5; 356.96, subdivisions 14, 15; 424A.02, subdivision 13; Minnesota Statutes 2015 Supplement, sections 353.0161, subdivisions 2, 3; 354A.12, subdivision 3c; 354A.29, subdivisions 8, 9; 356.415, subdivision 1."

With the recommendation that when so amended the bill be re-referred to the Committee on State Government Finance.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 8, H. F. No. 659 was re-referred to the Committee on Rules and Legislative Administration.

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

H. F. No. 2991, A bill for an act relating to real estate appraisers; regulating appraiser fees, investigation costs, and appraisal management companies; amending Minnesota Statutes 2014, sections 45.027, subdivision 1; 82C.02, subdivisions 3, 4, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 82C.

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

The report was adopted.

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

H. F. No. 3255, A bill for an act relating to state government; ratifying labor agreements; approving a compensation plan.

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

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 2991 and 3255 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 2649, 2759, 2815 and 3208 were read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Barrett, Quam, Miller, Gruenhagen, Hertaus, Vogel, Davids, Swedzinski and Johnson, B., introduced:

H. F. No. 4011, A bill for an act relating to transportation; providing for a mass transit and road capital expenses appropriations subsidy match.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Persell introduced:

H. F. No. 4012, A bill for an act relating to environment; modifying implementation goals of the Clean Water Legacy Act; amending Minnesota Statutes 2014, section 114D.20, subdivision 2.

The bill was read for the first time and referred to the Committee on Legacy Funding Finance.

Kahn; Hausman; Dehn, R.; Loeffler and Erhardt introduced:

H. F. No. 4013, A bill for an act relating to environment; establishing advisory task force on green roofs; requiring a report; appropriating money.

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

Zerwas introduced:

H. F. No. 4014, A bill for an act relating to human services; providing coverage for certain investigational drugs, biological products, or devices under the early periodic screening, diagnosis, and treatment program; amending Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 64.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.



**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1036, A bill for an act relating to health care; modifying provisions related to physician assistants; amending Minnesota Statutes 2014, sections 147A.01, subdivisions 17a, 23; 147A.20, subdivisions 1, 2; repealing Minnesota Statutes 2014, section 147A.01, subdivision 5.

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

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 2772, 2985 and 3572.

JOANNE M. ZOFF, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 2772, A bill for an act relating to local government; making technical changes to Ramsey County human resources statutes; amending Minnesota Statutes 2014, section 383A.289, subdivision 3; repealing Minnesota Statutes 2014, section 383A.295, subdivision 3.

The bill was read for the first time.

Laine moved that S. F. No. 2772 and H. F. No. 3019, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2985, A bill for an act relating to elections; establishing a presidential nomination primary; modifying provisions related to the precinct caucuses; making technical and conforming changes; authorizing rulemaking; amending Minnesota Statutes 2014, sections 201.091, subdivision 4; 202A.14, subdivision 1; 202A.18, subdivision 2a; 204B.14, subdivisions 2, 4; 204C.10; 204D.09, subdivision 1; Minnesota Statutes 2015 Supplement, section 204C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 207A.

The bill was read for the first time.

Sanders moved that S. F. No. 2985 and H. F. No. 3549, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3572, A bill for an act relating to natural resources; modifying prior clean water fund appropriations; appropriating money; amending Laws 2011, First Special Session chapter 6, article 2, sections 3; 5; 7, as amended; Laws 2013, chapter 137, article 2, sections 3; 5; 6, as amended; 7; 8; Laws 2015, First Special Session chapter 2, article 2, sections 3; 5; 7.

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

Applebaum was excused between the hours of 6:20 p.m. and 9:05 p.m.

### CALENDAR FOR THE DAY

S. F. No. 498 was reported to the House.

Quam moved to amend S. F. No. 498, the second unofficial engrossment, as follows:

Page 8, line 29, after "data" insert ", including, at a minimum, a requirement that any portable recording system stored by a cloud computing vendor be secured by the vendor in accordance with the standards provided in the Federal Bureau of Investigation's Criminal Justice Information Services Division Security Policy, version 5.4 or its successor"

The motion prevailed and the amendment was adopted.

The Speaker called Davids to the Chair.

Dehn, R., moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 5, delete lines 28 to 32 and insert:

"(c) Notwithstanding paragraph (b), a responding peace officer may not review data collected on a portable recording system prior to submitting a written report or formal statement on an investigation or incident, if the law enforcement response to the investigation or incident involved a peace officer's use of force resulting in great bodily harm, as defined in section 609.02, subdivision 8."

A roll call was requested and properly seconded.

Schoen moved to amend the Dehn, R., amendment to S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 1, line 8, after the period, insert "This paragraph does not prohibit a peace officer from reviewing portable recording system data for the purpose of recalling or verifying specific facts or circumstances of the officer's investigation or incident response."

A roll call was requested and properly seconded.

The question was taken on the Schoen amendment to the Dehn, R., amendment and the roll was called. There were 15 yeas and 111 nays as follows:

Those who voted in the affirmative were:

Freiberg	Mariani	Murphy, E.	Persell	Thissen
Halverson	Masin	Nelson	Pinto	Wagenius
Hortman	Metsa	Norton	Schoen	Yarusso

Those who voted in the negative were:

Albright	Dauids	Hansen	Lesch	Newberger	Selcer
Allen	Davnie	Hausman	Liebling	Newton	Simonson
Anderson, C.	Dean, M.	Heintzeman	Lien	Nornes	Slocum
Anderson, M.	Dehn, R.	Hertaus	Lillie	O'Driscoll	Smith
Anderson, P.	Dettmer	Hilstrom	Loeffler	O'Neill	Swedzinski
Anderson, S.	Drazkowski	Hoppe	Lohmer	Pelowski	Theis
Anzelc	Ecklund	Hornstein	Loon	Peppin	Torkelson
Backer	Erhardt	Howe	Loonan	Petersburg	Uglen
Baker	Erickson	Isaacson	Lucero	Peterson	Urdahl
Barrett	Fabian	Johnson, B.	Lueck	Pierson	Vogel
Bennett	Fenton	Johnson, C.	Mack	Poppe	Ward
Bernardy	Fischer	Johnson, S.	Marquart	Pugh	Whelan
Bly	Flanagan	Kahn	McDonald	Quam	Wills
Carlson	Franson	Kelly	McNamara	Rarick	Youakim
Christensen	Garofalo	Kiel	Miller	Rosenthal	Zerwas
Clark	Green	Knoblach	Moran	Runbeck	Spk. Daudt
Considine	Gruenhagen	Koznick	Mullery	Sanders	
Cornish	Hackbarth	Kresha	Murphy, M.	Schultz	
Daniels	Hamilton	Laine	Nash	Scott	

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

Dehn, R., withdrew his amendment to S. F. No. 498, the second unofficial engrossment, as amended.

Lesch moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 4, line 27, delete "and"

Page 4, after line 27, insert "(3) portable recording system data that document an arrest or a peace officer's use of a dangerous weapon are public; and"

Page 4, line 28, delete "(3)" and insert "(4)"

A roll call was requested and properly seconded.

The question was taken on the Lesch amendment and the roll was called. There were 18 yeas and 108 nays as follows:

Those who voted in the affirmative were:

Allen	Drazkowski	Hornstein	Liebling	Nash	Scott
Clark	Franson	Koznick	Mariani	Newberger	Vogel
Dehn, R.	Garofalo	Lesch	Moran	Pugh	Whelan

Those who voted in the negative were:

Albright	Davnie	Heintzeman	Loeffler	Nornes	Schultz
Anderson, C.	Dean, M.	Hertaus	Lohmer	Norton	Selcer
Anderson, M.	Dettmer	Hilstrom	Loon	O'Driscoll	Simonson
Anderson, P.	Ecklund	Hoppe	Loonan	O'Neill	Slocum
Anderson, S.	Erhardt	Hortman	Lucero	Pelowski	Smith
Anzelc	Erickson	Howe	Lueck	Peppin	Swedzinski
Backer	Fabian	Isaacson	Mack	Persell	Theis
Baker	Fenton	Johnson, B.	Marquart	Petersburg	Thissen
Barrett	Fischer	Johnson, C.	Masin	Peterson	Torkelson
Bennett	Flanagan	Johnson, S.	McDonald	Pierson	Uglen
Bernardy	Freiberg	Kahn	McNamara	Pinto	Urdahl
Bly	Green	Kelly	Metsa	Poppe	Wagenius
Carlson	Gruenhagen	Kiel	Miller	Quam	Ward
Christensen	Hackbarth	Knoblach	Mullery	Rarick	Wills
Considine	Halverson	Kresha	Murphy, E.	Rosenthal	Yarusso
Cornish	Hamilton	Laine	Murphy, M.	Runbeck	Youakim
Daniels	Hansen	Lien	Nelson	Sanders	Zerwas
Davids	Hausman	Lillie	Newton	Schoen	Spk. Daudt

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

Scott moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 6, line 8, after "systems" insert "; truthful disclosure" and before "While" insert "(a)"

Page 6, after line 10, insert:

"(b) An on-duty peace officer who receives a good faith inquiry from a member of the public about the existence or operation of a portable recording system, including an inquiry about whether the officer is equipped with a system or whether the system is activated or recording, may not:

(1) refuse to respond to the inquiry; or

(2) respond with a statement that the officer knows to be false, is communicated with reckless disregard for whether it is false, or is made with the intent to mislead or deceive the member of the public about the truthful response to the inquiry.

This paragraph does not apply to peace officers working undercover, or in circumstances where, in the judgment of the officer, exigent circumstances exist in which a truthful response to the inquiry would cause an immediate threat to the physical safety of the officer or to other members of the public."

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 62 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Allen	Fischer	Hornstein	Loeffler	Nash	Swedzinski
Bennett	Flanagan	Isaacson	Loon	Newberger	Thissen
Bernardy	Franson	Johnson, C.	Loonan	Nornes	Vogel
Bly	Freiberg	Johnson, S.	Lucero	Norton	Wagenius
Carlson	Garofalo	Kahn	Mariani	Peppin	Whelan
Christensen	Green	Knoblach	Metsa	Peterson	Yarusso
Clark	Hamilton	Koznick	Miller	Pugh	Youakim
Davnie	Hansen	Laine	Moran	Rosenthal	
Dehn, R.	Hausman	Lesch	Mullery	Schultz	
Drazkowski	Hertaus	Liebling	Murphy, E.	Scott	
Erickson	Hoppe	Lien	Murphy, M.	Selcer	

Those who voted in the negative were:

Albright	Daniels	Heintzeman	Mack	Petersburg	Smith
Anderson, C.	Dauids	Hilstrom	Marquart	Pierson	Theis
Anderson, M.	Dean, M.	Hortman	Masin	Pinto	Torkelson
Anderson, P.	Dettmer	Howe	McDonald	Poppe	Uglem
Anderson, S.	Ecklund	Johnson, B.	McNamara	Quam	Urdahl
Anzelc	Erhardt	Kelly	Nelson	Rarick	Ward
Backer	Fabian	Kiel	Newton	Runbeck	Wills
Baker	Fenton	Kresha	O'Driscoll	Sanders	Zerwas
Barrett	Gruenhagen	Lillie	O'Neill	Schoen	Spk. Daudt
Considine	Hackbarth	Lohmer	Pelowski	Simonson	
Cornish	Halverson	Lueck	Persell	Slocum	

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

Dehn, R., moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 7, after line 29, insert:

**"Subd. 11. Evidentiary presumption. When a complaint of police misconduct is filed and the officer did not activate the officer's portable recording system in accordance with policy, an evidentiary presumption exists against the officer during the investigation of the complaint."**

A roll call was requested and properly seconded.

The question was taken on the Dehn, R., amendment and the roll was called. There were 12 yeas and 115 nays as follows:

Those who voted in the affirmative were:

Bernardy	Davnie	Hornstein	Kahn	Mariani	Mullery
Bly	Dehn, R.	Johnson, S.	Liebling	Moran	Norton

Those who voted in the negative were:

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

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

Fischer moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2014, section 13.82, subdivision 7, is amended to read:

Subd. 7. **Criminal investigative data.** Except for the data defined in subdivisions 2, 3, and 6, investigative data collected or created by a law enforcement agency in order to prepare a case against a person, whether known or unknown, for the commission of a crime or other offense for which the agency has primary investigative responsibility are confidential or protected nonpublic while the investigation is active. Inactive investigative data are public unless the release of the data would jeopardize another ongoing investigation or would reveal the identity of individuals protected under subdivision 17. ~~Photographs which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private or nonpublic data, provided that the existence of the photographs shall be disclosed to any person requesting access to the inactive investigative file.~~ An investigation becomes inactive upon the occurrence of any of the following events:

- (a) a decision by the agency or appropriate prosecutorial authority not to pursue the case;
- (b) expiration of the time to bring a charge or file a complaint under the applicable statute of limitations, or 30 years after the commission of the offense, whichever comes earliest; or
- (c) exhaustion of or expiration of all rights of appeal by a person convicted on the basis of the investigative data.

Any investigative data presented as evidence in court shall be public. Data determined to be inactive under clause (a) may become active if the agency or appropriate prosecutorial authority decides to renew the investigation.

During the time when an investigation is active, any person may bring an action in the district court located in the county where the data are being maintained to authorize disclosure of investigative data. The court may order that all or part of the data relating to a particular investigation be released to the public or to the person bringing the action. In making the determination as to whether investigative data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, to the agency or to any person identified in the data. The data in dispute shall be examined by the court in camera."

Page 4, delete lines 18 to 19

Page 4, line 20, delete "sensibilities."

Fischer moved to amend the Fischer amendment to S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 1, line 15, after the stricken "file." insert "Images and recordings, including photographs, video, and audio records which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private or nonpublic data, if the images and recordings were created or recorded by the law enforcement agency. The existence of any images or recordings withheld under this clause shall be disclosed to any person requesting access to the inactive investigative file."

Page 2, line 1, after the period, insert "Regardless of whether an investigation is active or inactive, any person may bring an action in the district court located in the county where the data are being maintained to prevent public disclosure of images or recordings that the person submitted to the law enforcement agency when the investigation becomes inactive. As applicable."

Page 2, line 2, after "investigation" insert "be withheld from public disclosure, or"

Page 2, line 3, after "be" insert "withheld or"

A roll call was requested and properly seconded.

The question was taken on the Fischer amendment to the Fischer amendment and the roll was called. There were 29 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Hausman	Kahn	Masin	Wagenius
Bly	Fischer	Hornstein	Liebling	Moran	Ward
Clark	Flanagan	Isaacson	Loeffler	Murphy, E.	Yarusso
Considine	Freiberg	Johnson, C.	Mahoney	Murphy, M.	Youakim
Davnie	Halverson	Johnson, S.	Mariani	Norton	

Those who voted in the negative were:

Albright	Backer	Christensen	Drazkowski	Franson	Hansen
Anderson, C.	Baker	Cornish	Ecklund	Garofalo	Heintzeman
Anderson, M.	Barrett	Daniels	Erhardt	Green	Hertaus
Anderson, P.	Bennett	Davids	Erickson	Gruenhagen	Hilstrom
Anderson, S.	Bernardy	Dean, M.	Fabian	Hackbarth	Hoppe
Anzelc	Carlson	Dettmer	Fenton	Hamilton	Hortman

Howe	Lohmer	Mullery	Petersburg	Schoen	Urdahl
Johnson, B.	Loon	Nash	Peterson	Schultz	Vogel
Kelly	Loonan	Nelson	Pierson	Scott	Whelan
Kiel	Lucero	Newberger	Pinto	Selcer	Wills
Knoblach	Lueck	Newton	Poppe	Simonson	Zerwas
Koznick	Mack	Nornes	Pugh	Slocum	Spk. Daudt
Kresha	Marquart	O'Driscoll	Quam	Smith	
Laine	McDonald	O'Neill	Rarick	Swedzinski	
Lesch	McNamara	Pelowski	Rosenthal	Theis	
Lien	Metsa	Peppin	Runbeck	Torkelson	
Lillie	Miller	Persell	Sanders	Uglen	

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

Fischer moved to amend the Fischer amendment to S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 1, line 15, after the stricken "file." insert "Images and recordings, including photographs, video, and audio records which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private or nonpublic data. The existence of any images or recordings withheld under this clause, and the basis for determining that the images or recordings are clearly offensive to common sensibilities, shall be disclosed to any person requesting access to the inactive investigative file."

Page 2, delete lines 7 to 8 and insert:

"Page 4, line 20, after the period, insert "If the data are redacted or withheld under this clause, the law enforcement agency's basis for determining that the data are clearly offensive to common sensibilities is public."

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

The question recurred on the Fischer amendment to S. F. No. 498, the second unofficial engrossment, as amended. The motion did not prevail and the amendment was not adopted.

Scott moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 8, delete lines 3 to 7 and insert:

"**Subd. 2. Public comment; approval of local governing body required.** (a) A local law enforcement agency may not purchase or implement a portable recording system unless the governing body with jurisdiction over the law enforcement agency has approved:

(1) purchase and implementation of the system; and

(2) the written policy required under subdivision 3.

(b) A vote to approve use of a portable recording system and the written policy required by subdivision 3 must occur at a regularly scheduled meeting of the governing body, following an opportunity for public comment. Notice of the meeting must be posted at least 30 days prior to the date of the meeting."



Page 8, delete lines 33 to 35 and insert:

**"EFFECTIVE DATE.** This section is effective August 1, 2016, provided that a law enforcement agency using a portable recording system on that date must secure the governing body's approval of the system and the policy required under this section, no later than January 15, 2017."

A roll call was requested and properly seconded.

Scott moved to amend the Scott amendment to S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 1, after line 12, insert:

"Page 8, after line 24, insert:

"(5) circumstances under which the consent of a data subject is required prior to recording;"

Renumber the clauses in sequence and correct the internal references"

A roll call was requested and properly seconded.

#### POINT OF ORDER

Kahn raised a point of order pursuant to section 760, paragraph 4, of "Mason's Manual of Legislative Procedure," relating to The Other House and Its Members. Speaker pro tempore Davids ruled the point of order well taken.

The question recurred on the Scott amendment to the Scott amendment and the roll was called. There were 41 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Allen	Flanagan	Hornstein	Liebling	Moran	Runbeck
Bernardy	Freiberg	Isaacson	Loeffler	Murphy, M.	Schultz
Bly	Garofalo	Johnson, S.	Loon	Newberger	Scott
Clark	Gruenhagen	Kahn	Lucero	Norton	Simonson
Dehn, R.	Hansen	Koznick	Mahoney	Peterson	Vogel
Drazkowski	Hausman	Laine	Mariani	Pinto	Whelan
Fischer	Hertaus	Lesch	Metsa	Pugh	

Those who voted in the negative were:

Albright	Backer	Considine	Dettmer	Green	Hoppe
Anderson, C.	Baker	Cornish	Ecklund	Hackbarth	Hortman
Anderson, M.	Barrett	Daniels	Erhardt	Halverson	Howe
Anderson, P.	Bennett	Davids	Erickson	Hamilton	Johnson, B.
Anderson, S.	Carlson	Davnie	Fabian	Heintzeman	Johnson, C.
Anzelc	Christensen	Dean, M.	Fenton	Hilstrom	Kelly

Kiel	Marquart	Newton	Poppe	Swedzinski	Yarusso
Knoblach	Masin	Nornes	Quam	Theis	Youakim
Kresha	McDonald	O'Driscoll	Rarick	Thissen	Zerwas
Lien	McNamara	O'Neill	Rosenthal	Torkelson	Spk. Daudt
Lillie	Miller	Pelowski	Sanders	Uglen	
Lohmer	Mullery	Peppin	Schoen	Urdahl	
Loonan	Murphy, E.	Persell	Selcer	Wagenius	
Lueck	Nash	Petersburg	Slocum	Ward	
Mack	Nelson	Pierson	Smith	Wills	

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

The question recurred on the Scott amendment and the roll was called. There were 51 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Allen	Erickson	Hornstein	Loon	Murphy, M.	Scott
Bernardy	Flanagan	Isacson	Lucero	Newberger	Simonson
Bly	Franson	Johnson, S.	Mahoney	Nornes	Thissen
Clark	Freiberg	Kahn	Mariani	Norton	Vogel
Considine	Garofalo	Koznick	Metsa	Pinto	Wagenius
Davnie	Halverson	Laine	Miller	Poppe	Whelan
Dean, M.	Hansen	Lesch	Moran	Pugh	
Dehn, R.	Hausman	Liebling	Mullery	Runbeck	
Drazkowski	Hertaus	Loeffler	Murphy, E.	Schultz	

Those who voted in the negative were:

Albright	Daniels	Hilstrom	Loonan	Peppin	Swedzinski
Anderson, C.	Davids	Hoppe	Lueck	Persell	Theis
Anderson, M.	Dettmer	Hortman	Mack	Petersburg	Torkelson
Anderson, P.	Ecklund	Howe	Marquart	Peterson	Uglen
Anderson, S.	Erhardt	Johnson, B.	Masin	Pierson	Urdahl
Anzelc	Fabian	Johnson, C.	McDonald	Quam	Ward
Backer	Fenton	Kelly	McNamara	Rarick	Wills
Baker	Fischer	Kiel	Nash	Rosenthal	Yarusso
Barrett	Green	Knoblach	Nelson	Sanders	Youakim
Bennett	Gruenhagen	Kresha	Newton	Schoen	Zerwas
Carlson	Hackbarth	Lien	O'Driscoll	Selcer	Spk. Daudt
Christensen	Hamilton	Lillie	O'Neill	Slocum	
Cornish	Heintzeman	Lohmer	Pelowski	Smith	

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

Lesch offered an amendment to S. F. No. 498, the second unofficial engrossment, as amended.

#### POINT OF ORDER

Schoen raised a point of order pursuant to rule 3.21 that the Lesch amendment was not in order. Speaker pro tempore Davids ruled the point of order well taken and the Lesch amendment out of order.

Lesch moved to amend S. F. No. 498, the second unofficial engrossment, as amended, as follows:

Page 4, line 27, delete "and"

Page 4, after line 27, insert "(3) portable recording system data collected in a location where a data subject does not have a reasonable expectation of privacy and which document an arrest or a peace officer's use of a dangerous weapon are public; and"

Page 4, line 28, delete "(3)" and insert "(4)"

A roll call was requested and properly seconded.

The question was taken on the Lesch amendment and the roll was called. There were 27 yeas and 100 nays as follows:

Those who voted in the affirmative were:

Allen	Erickson	Johnson, S.	Loeffler	Metsa	Vogel
Clark	Garofalo	Kahn	Loon	Moran	Whelan
Dean, M.	Hertaus	Koznick	Lucero	Newberger	
Dehn, R.	Hornstein	Lesch	Mahoney	Pugh	
Drazkowski	Isaacson	Liebling	Mariani	Scott	

Those who voted in the negative were:

Albright	Davids	Hausman	Lueck	Pelowski	Slocum
Anderson, C.	Davnie	Heintzeman	Mack	Peppin	Smith
Anderson, M.	Dettmer	Hilstrom	Marquart	Persell	Swedzinski
Anderson, P.	Ecklund	Hoppe	Masin	Petersburg	Theis
Anderson, S.	Erhardt	Hortman	McDonald	Peterson	Thissen
Anzelc	Fabian	Howe	McNamara	Pierson	Torkelson
Baker	Fenton	Johnson, B.	Miller	Pinto	Uglem
Baker	Fischer	Johnson, C.	Mullery	Poppe	Urdahl
Barrett	Flanagan	Kelly	Murphy, E.	Quam	Wagenius
Bennett	Franson	Kiel	Murphy, M.	Rarick	Ward
Bernardy	Freiberg	Knoblach	Nash	Rosenthal	Wills
Bly	Green	Kresha	Nelson	Runbeck	Yarusso
Carlson	Gruenhagen	Laine	Newton	Sanders	Youakim
Christensen	Hackbarth	Lien	Nornes	Schoen	Zerwas
Considine	Halverson	Lillie	Norton	Schultz	Spk. Daudt
Cornish	Hamilton	Lohmer	O'Driscoll	Selcer	
Daniels	Hansen	Loonan	O'Neill	Simonson	

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

Speaker pro tempore Davids called Garofalo to the Chair.

S. F. No. 498, A bill for an act relating to data practices; classifying portable recording system data; establishing requirements for the destruction of data; requiring policies; imposing requirements on vendors and providing for damage awards; amending Minnesota Statutes 2014, section 13.82, subdivision 15, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 626.

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 95 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Albright	Dauids	Heintzeman	Loon	Pelowski	Slocum
Anderson, C.	Dettmer	Hertaus	Loonan	Peppin	Smith
Anderson, M.	Ecklund	Hilstrom	Lueck	Persell	Swedzinski
Anderson, P.	Erhardt	Hortman	Mack	Petersburg	Theis
Anderson, S.	Erickson	Howe	Marquart	Peterson	Thissen
Anzelc	Fabian	Isaacson	Masin	Pierson	Torkelson
Applebaum	Fenton	Johnson, B.	McDonald	Pinto	Uglen
Baker	Fischer	Johnson, C.	McNamara	Poppe	Urdahl
Baker	Franson	Kelly	Miller	Pugh	Vogel
Barrett	Freiberg	Kiel	Murphy, M.	Quam	Wagenius
Bennett	Garofalo	Knoblach	Nelson	Rarick	Wills
Carlson	Green	Kresha	Newton	Rosenthal	Yarusso
Christensen	Gruenhagen	Laine	Nornes	Runbeck	Youakim
Considine	Hackbarth	Lien	Norton	Sanders	Zerwas
Cornish	Halverson	Lillie	O'Driscoll	Schoen	Spk. Daudt
Daniels	Hamilton	Lohmer	O'Neill	Selcer	

Those who voted in the negative were:

Allen	Dehn, R.	Hornstein	Loeffler	Mullery	Simonson
Bernardy	Drazkowski	Johnson, S.	Lucero	Murphy, E.	Ward
Bly	Flanagan	Kahn	Mahoney	Nash	Whelan
Clark	Hansen	Koznick	Mariani	Newberger	
Davnie	Hausman	Lesch	Metsa	Schultz	
Dean, M.	Hoppe	Liebling	Moran	Scott	

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

S. F. No. 2713, A bill for an act relating to public safety; creating a civil cause of action for the nonconsensual dissemination of private sexual images and nonconsensual sexual solicitation; amending the crime of stalking to include nonconsensual sexual solicitation; expanding the definition of qualified domestic violence-related offense; establishing criminal penalties for nonconsensual dissemination of private sexual images and nonconsensual sexual solicitation; clarifying the law of criminal defamation; amending Minnesota Statutes 2014, sections 609.02, subdivision 16; 609.27, subdivision 1; 609.275; 609.748, subdivision 1; 609.749, subdivision 2; 609.765; proposing coding for new law in Minnesota Statutes, chapters 604; 617.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1291, A bill for an act relating to judiciary; considering county attorney as attorney for any town in which a violation occurs for purposes of allocation of court fines, penalties, and forfeitures; amending Minnesota Statutes 2014, section 484.90, subdivision 6.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Bernardy	Dettmer	Green	Hortman	Laine
Allen	Bly	Drazkowski	Gruenhagen	Howe	Lesch
Anderson, C.	Carlson	Ecklund	Hackbarth	Isaacson	Liebling
Anderson, M.	Christensen	Erhardt	Halverson	Johnson, B.	Lien
Anderson, P.	Clark	Erickson	Hamilton	Johnson, C.	Lillie
Anderson, S.	Considine	Fabian	Hansen	Johnson, S.	Loeffler
Anzelc	Cornish	Fenton	Hausman	Kahn	Lohmer
Applebaum	Daniels	Fischer	Heintzeman	Kelly	Loon
Backer	Davids	Flanagan	Hertaus	Kiel	Loonan
Baker	Davnie	Franson	Hilstrom	Knoblach	Lucero
Barrett	Dean, M.	Freiberg	Hoppe	Koznick	Lueck
Bennett	Dehn, R.	Garofalo	Hornstein	Kresha	Mack

Mahoney	Murphy, E.	Pelowski	Rarick	Smith	Whelan
Mariani	Murphy, M.	Peppin	Rosenthal	Swedzinski	Wills
Marquart	Nash	Persell	Runbeck	Theis	Yarusso
Masin	Nelson	Petersburg	Sanders	Thissen	Youakim
McDonald	Newberger	Peterson	Schoen	Torkelson	Zerwas
McNamara	Newton	Pierson	Schultz	Uglem	Spk. Daudt
Metsa	Nornes	Pinto	Scott	Urdahl	
Miller	Norton	Poppe	Selcer	Vogel	
Moran	O'Driscoll	Pugh	Simonson	Wagenius	
Mullery	O'Neill	Quam	Slocum	Ward	

The bill was passed and its title agreed to.

H. F. No. 3333, A bill for an act relating to health; modifying the schedules of controlled substances; amending Minnesota Statutes 2015 Supplement, section 152.02, subdivisions 2, 5.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 3211 was reported to the House.

Hoppe moved to amend H. F. No. 3211, the second engrossment, as follows:

Page 1, delete section 1

Page 2, line 29, delete "home"

Page 2, line 30, delete "address or credit card billing address" and insert "primary residence"

Page 5, line 10, before the period, insert "and the Interstate Horseracing Act of 1978, United States Code, title 15, section 3001 et seq"

Page 5, delete lines 27 and 28

Renumber the clauses in sequence

Page 5, line 32, delete "one year" and insert "three years"

Page 6, line 2, delete "in the principal amount of \$1,000,000" and insert ". an irrevocable letter of credit, or other form of financial guarantee in an amount to be determined by the commission" and delete "shall" and insert "may also"

Page 6, line 3, delete "that" and after "bond" insert ". an irrevocable letter of credit, or other form of financial guarantee" and delete "has"

Page 6, line 4, delete "been"

Page 6, line 5, after "for" insert "additional"

Page 6, line 6, after "bond" insert ". an irrevocable letter of credit, or other form of financial guarantee"

Renumber the sections in sequence

The motion prevailed and the amendment was adopted.

H. F. No. 3211, A bill for an act relating to pari-mutuel horse racing; authorizing advance deposit wagering; providing for horse-racing revenue; appropriating money; amending Minnesota Statutes 2014, sections 240.08, subdivision 1; 240.13, subdivision 4; 240.15, subdivision 2; 240.25, subdivision 1; Minnesota Statutes 2015 Supplement, sections 240.01, by adding subdivisions; 240.08, subdivision 2; 240.10; 240.15, subdivisions 1, 6; 240.22; proposing coding for new law in Minnesota Statutes, chapter 240.

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 120 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Albright	Anderson, P.	Applebaum	Barrett	Bly	Cornish
Anderson, C.	Anderson, S.	Backer	Bennett	Carlson	Daniels
Anderson, M.	Anzelc	Baker	Bernardy	Christensen	Davids

Dean, M.	Halverson	Kiel	McDonald	Peppin	Simonson
Dehn, R.	Hamilton	Knoblach	McNamara	Persell	Slocum
Dettmer	Hansen	Koznick	Metsa	Petersburg	Smith
Drazkowski	Hausman	Kresha	Miller	Peterson	Swedzinski
Ecklund	Heintzeman	Laine	Moran	Pierson	Theis
Erhardt	Hertaus	Lesch	Mullery	Pinto	Thissen
Erickson	Hilstrom	Lien	Murphy, E.	Poppe	Torkelson
Fabian	Hoppe	Lillie	Murphy, M.	Pugh	Uglen
Fenton	Hornstein	Loon	Nash	Quam	Urdahl
Fischer	Hortman	Loonan	Nelson	Rarick	Vogel
Flanagan	Howe	Lucero	Newberger	Rosenthal	Ward
Franson	Isaacson	Lueck	Newton	Runbeck	Whelan
Freiberg	Johnson, B.	Mack	Nornes	Sanders	Wills
Garofalo	Johnson, C.	Mahoney	Norton	Schoen	Yarusso
Green	Johnson, S.	Mariani	O'Driscoll	Schultz	Youakim
Gruenhagen	Kahn	Marquart	O'Neill	Scott	Zerwas
Hackbarth	Kelly	Masin	Pelowski	Selcer	Spk. Daudt

Those who voted in the negative were:

Allen	Clark	Considine	Davnie	Loeffler
-------	-------	-----------	--------	----------

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

S. F. No. 1440 was reported to the House.

Baker moved to amend S. F. No. 1440, the third engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 1652, the fourth engrossment:

"Section 1. Minnesota Statutes 2014, section 152.126, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Board" means the Minnesota State Board of Pharmacy established under chapter 151.

(c) "Controlled substances" means those substances listed in section 152.02, subdivisions 3 to 6, and those substances defined by the board pursuant to section 152.02, subdivisions 7, 8, and 12. For the purposes of this section, controlled substances includes ~~tramadol~~ and butalbital and gabapentin.

(d) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision 30. Dispensing does not include the direct administering of a controlled substance to a patient by a licensed health care professional.

(e) "Dispenser" means a person authorized by law to dispense a controlled substance, pursuant to a valid prescription. For the purposes of this section, a dispenser does not include a licensed hospital pharmacy that distributes controlled substances for inpatient hospital care or a veterinarian who is dispensing prescriptions under section 156.18.



(f) "Prescriber" means a licensed health care professional who is authorized to prescribe a controlled substance under section 152.12, subdivision 1 or 2.

(g) "Prescription" has the meaning given in section 151.01, subdivision ~~4~~ 16a.

Sec. 2. Minnesota Statutes 2014, section 152.126, subdivision 3, is amended to read:

Subd. 3. **Prescription Monitoring Program Advisory Task Force.** (a) The board shall appoint an advisory task force consisting of at least one representative of:

(1) the Department of Health;

(2) the Department of Human Services;

(3) each health-related licensing board that licenses prescribers;

(4) a professional medical association, which may include an association of pain management and chemical dependency specialists;

(5) a professional pharmacy association;

(6) a professional nursing association;

(7) a professional dental association;

(8) a consumer privacy or security advocate;

(9) a consumer or patient rights organization; and

(10) an association of medical examiners and coroners.

(b) The advisory task force shall advise the board on the development and operation of the prescription monitoring program, including, but not limited to:

(1) technical standards for electronic prescription drug reporting;

(2) proper analysis and interpretation of prescription monitoring data;

(3) an evaluation process for the program; and

(4) criteria for the unsolicited provision of prescription monitoring data by the board to prescribers and dispensers.

(c) The task force is governed by section 15.059. Notwithstanding any other provisions of law to the contrary, the task force shall not expire.

Sec. 3. Minnesota Statutes 2014, section 152.126, subdivision 5, is amended to read:

Subd. 5. **Use of data by board.** (a) The board shall develop and maintain a database of the data reported under subdivision 4. The board shall maintain data that could identify an individual prescriber or dispenser in encrypted form. Except as otherwise allowed under subdivision 6, the database may be used by permissible users identified under subdivision 6 for the identification of:

(1) individuals receiving prescriptions for controlled substances from prescribers who subsequently obtain controlled substances from dispensers in quantities or with a frequency inconsistent with generally recognized standards of use for those controlled substances, including standards accepted by national and international pain management associations; and

(2) individuals presenting forged or otherwise false or altered prescriptions for controlled substances to dispensers.

(b) No permissible user identified under subdivision 6 may access the database for the sole purpose of identifying prescribers of controlled substances for unusual or excessive prescribing patterns without a valid search warrant or court order.

(c) No personnel of a state or federal occupational licensing board or agency may access the database for the purpose of obtaining information to be used to initiate ~~or substantiate~~ a disciplinary action against a prescriber.

(d) Data reported under subdivision 4 shall be made available to permissible users for a 12-month period beginning the day the data was received and ending 12 months from the last day of the month in which the data was received, except that permissible users defined in subdivision 6, paragraph (b), clauses (6) and (7), may use all data collected under this section for the purposes of administering, operating, and maintaining the prescription monitoring program and conducting trend analyses and other studies necessary to evaluate the effectiveness of the program. Data retained beyond 24 months must be de-identified.

(e) The board shall not retain data reported under subdivision 4 for a period longer than four years from the date the data was received.

Sec. 4. Minnesota Statutes 2014, section 152.126, subdivision 6, is amended to read:

Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision, the data submitted to the board under subdivision 4 is private data on individuals as defined in section 13.02, subdivision 12, and not subject to public disclosure.

(b) Except as specified in subdivision 5, the following persons shall be considered permissible users and may access the data submitted under subdivision 4 in the same or similar manner, and for the same or similar purposes, as those persons who are authorized to access similar private data on individuals under federal and state law:

(1) a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, to the extent the information relates specifically to a current patient, to whom the prescriber is:

(i) prescribing or considering prescribing any controlled substance;

(ii) providing emergency medical treatment for which access to the data may be necessary; or

(iii) providing other medical treatment for which access to the data may be necessary and the patient has consented to access to the submitted data, and with the provision that the prescriber remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(2) a dispenser or an agent or employee of the dispenser to whom the dispenser has delegated the task of accessing the data, to the extent the information relates specifically to a current patient to whom that dispenser is dispensing or considering dispensing any controlled substance and with the provision that the dispenser remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(3) a licensed pharmacist who is providing pharmaceutical care for which access to the data may be necessary to the extent that the information relates specifically to a current patient for whom the pharmacist is providing pharmaceutical care if the patient has consented to access to the submitted data or when consulted by a prescriber who is requesting data in accordance with clause (1);

(4) an individual who is the recipient of a controlled substance prescription for which data was submitted under subdivision 4, or a guardian of the individual, parent or guardian of a minor, or health care agent of the individual acting under a health care directive under chapter 145C;

(5) personnel or designees of the a health-related licensing board specifically listed in section 214.01, subdivision 2, or of the Emergency Medical Services Regulatory Board, assigned to conduct a bona fide investigation of a complaint received by that board that alleges that a specific licensee is impaired by use of a drug for which data is collected under subdivision 4, has engaged in activity that would constitute a crime as defined in section 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);

(6) personnel of the board engaged in the collection, review, and analysis of controlled substance prescription information as part of the assigned duties and responsibilities under this section;

(7) authorized personnel of a vendor under contract with the state of Minnesota who are engaged in the design, implementation, operation, and maintenance of the prescription monitoring program as part of the assigned duties and responsibilities of their employment, provided that access to data is limited to the minimum amount necessary to carry out such duties and responsibilities, and subject to the requirement of de-identification and time limit on retention of data specified in subdivision 5, paragraphs (d) and (e);

(8) federal, state, and local law enforcement authorities acting pursuant to a valid search warrant;

(9) personnel of the Minnesota health care programs assigned to use the data collected under this section to identify and manage recipients whose usage of controlled substances may warrant restriction to a single primary care provider, a single outpatient pharmacy, and a single hospital;

(10) personnel of the Department of Human Services assigned to access the data pursuant to paragraph ~~(h)~~ (i); ~~and~~

(11) personnel of the health professionals services program established under section 214.31, to the extent that the information relates specifically to an individual who is currently enrolled in and being monitored by the program, and the individual consents to access to that information. The health professionals services program personnel shall not provide this data to a health-related licensing board or the Emergency Medical Services Regulatory Board, except as permitted under section 214.33, subdivision 3.

For purposes of clause (4), access by an individual includes persons in the definition of an individual under section 13.02; and

(12) personnel or designees of a health-related licensing board listed in section 214.01, subdivision 2, assigned to conduct a bona fide investigation of a complaint received by that board that alleges that a specific licensee is inappropriately prescribing controlled substances as defined in this section.

(c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe controlled substances for humans and who holds a current registration issued by the federal Drug Enforcement Administration, and every pharmacist licensed by the board and practicing within the state, shall register and maintain a user account with the prescription

monitoring program. Data submitted by a prescriber, pharmacist, or their delegate during the registration application process, other than their name, license number, and license type, is classified as private pursuant to section 13.02, subdivision 12.

~~(c) A permissible user~~ (d) Only permissible users identified in paragraph (b), clauses (1), (2), (3), (6), (7), (9), and (10), may directly access the data electronically. No other permissible user may directly access the data electronically. If the data is directly accessed electronically, the permissible user shall implement and maintain a comprehensive information security program that contains administrative, technical, and physical safeguards that are appropriate to the user's size and complexity, and the sensitivity of the personal information obtained. The permissible user shall identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of personal information that could result in the unauthorized disclosure, misuse, or other compromise of the information and assess the sufficiency of any safeguards in place to control the risks.

~~(d) (e)~~ The board shall not release data submitted under subdivision 4 unless it is provided with evidence, satisfactory to the board, that the person requesting the information is entitled to receive the data.

~~(e) (f)~~ The board shall maintain a log of all persons who access the data for a period of at least three years and shall ensure that any permissible user complies with paragraph ~~(e)~~ (d) prior to attaining direct access to the data.

~~(f) (g)~~ Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant to subdivision 2. A vendor shall not use data collected under this section for any purpose not specified in this section.

~~(g) (h)~~ The board may participate in an interstate prescription monitoring program data exchange system provided that permissible users in other states have access to the data only as allowed under this section, and that section 13.05, subdivision 6, applies to any contract or memorandum of understanding that the board enters into under this paragraph. ~~The board shall report to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over health and human services policy and finance on the interstate prescription monitoring program by January 5, 2016.~~

~~(h) (i)~~ With available appropriations, the commissioner of human services shall establish and implement a system through which the Department of Human Services shall routinely access the data for the purpose of determining whether any client enrolled in an opioid treatment program licensed according to chapter 245A has been prescribed or dispensed a controlled substance in addition to that administered or dispensed by the opioid treatment program. When the commissioner determines there have been multiple prescribers or multiple prescriptions of controlled substances, the commissioner shall:

(1) inform the medical director of the opioid treatment program only that the commissioner determined the existence of multiple prescribers or multiple prescriptions of controlled substances; and

(2) direct the medical director of the opioid treatment program to access the data directly, review the effect of the multiple prescribers or multiple prescriptions, and document the review.

If determined necessary, the commissioner of human services shall seek a federal waiver of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section 2.34, paragraph (c), prior to implementing this paragraph.

~~(i) (j)~~ The board shall review the data submitted under subdivision 4 on at least a quarterly basis and shall establish criteria, in consultation with the advisory task force, for referring information about a patient to prescribers and dispensers who prescribed or dispensed the prescriptions in question if the criteria are met. ~~The board shall~~

~~report to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over health and human services policy and finance on the criteria established under this paragraph and the review process by January 5, 2016. This paragraph expires August 1, 2016.~~

Sec. 5. **REPEALER.**

Laws 2014, chapter 286, article 7, section 4, is repealed."

The motion prevailed and the amendment was adopted.

Liebling moved to amend S. F. No. 1440, the third engrossment, as amended, as follows:

Page 3, line 16, strike "shall not retain" and insert "must destroy" and strike "for a period longer" and insert "no later"

The motion prevailed and the amendment was adopted.

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

S. F. No. 1440, A bill for an act relating to health; making changes to the Minnesota prescription monitoring program; amending Minnesota Statutes 2014, section 152.126, subdivisions 1, 3, 5, 6; repealing Laws 2014, chapter 286, article 7, section 4.

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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Albright	Clark	Fischer	Hoppe	Lesch	McNamara
Allen	Considine	Flanagan	Hornstein	Liebling	Metsa
Anderson, C.	Cornish	Franson	Hortman	Lien	Miller
Anderson, M.	Daniels	Freiberg	Howe	Lillie	Moran
Anderson, P.	Dauids	Garofalo	Isaacson	Loeffler	Mullery
Anderson, S.	Davnie	Green	Johnson, B.	Lohmer	Murphy, E.
Anzelc	Dean, M.	Gruenhagen	Johnson, C.	Loon	Murphy, M.
Backer	Dehn, R.	Hackbarth	Johnson, S.	Loonan	Nash
Baker	Dettmer	Halverson	Kahn	Lueck	Nelson
Barrett	Drazkowski	Hamilton	Kelly	Mack	Newberger
Bennett	Ecklund	Hansen	Kiel	Mahoney	Newton
Bernardy	Erhardt	Hausman	Knoblach	Mariani	Nornes
Bly	Erickson	Heintzeman	Koznick	Marquart	Norton
Carlson	Fabian	Hertaus	Kresha	Masin	O'Driscoll
Christensen	Fenton	Hilstrom	Laine	McDonald	O'Neill

Pelowski	Pinto	Runbeck	Simonson	Torkelson	Whelan
Peppin	Poppe	Sanders	Slocum	Uglem	Wills
Persell	Pugh	Schoen	Smith	Urdahl	Yarusso
Petersburg	Quam	Schultz	Swedzinski	Vogel	Youakim
Peterson	Rarick	Scott	Theis	Wagenius	Zerwas
Pierson	Rosenthal	Selcer	Thissen	Ward	Spk. Daudt

Those who voted in the negative were:

Lucero

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

S. F. No. 2802, A bill for an act relating to cosmetology; regulating eyelash extension services; amending Minnesota Statutes 2014, section 155A.23, by adding subdivisions; Minnesota Statutes 2015 Supplement, sections 155A.23, subdivisions 8, 18; 155A.27, subdivision 1; 155A.271; 155A.29, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, S.	Considine	Peppin	Smith
--------------	-----------	--------	-------

The bill was passed and its title agreed to.

S. F. No. 3018 was reported to the House.

Anderson, P., moved to amend S. F. No. 3018, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3231, the first engrossment:

"Section 1. Minnesota Statutes 2014, section 18B.345, is amended to read:

**18B.345 PESTICIDE APPLICATION ON GOLF COURSES.**

(a) Application of a pesticide to the property of a golf course must be performed by:

(1) a structural pest control applicator; or

(2) a commercial or noncommercial pesticide applicator ~~with appropriate use certification.~~

(b) Pesticides determined by the commissioner to be sanitizers and disinfectants are exempt from the requirements in paragraph (a).

Sec. 2. Minnesota Statutes 2014, section 28A.085, subdivision 1, is amended to read:

Subdivision 1. **Violations; prohibited acts.** The commissioner may charge a reinspection fee for each reinspection of a food handler that:

(1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32, 33, or 34, or rules adopted under one of those chapters; or

~~(2) is found with a violation of section 31.02, 31.161, or 31.165, and requires a follow-up inspection after an administrative meeting held pursuant to section 34A.06; or~~

~~(3) (2) fails to correct equipment and facility deficiencies as required in rules adopted under chapter 28, 29, 30, 31, 31A, 32, or 34.~~

The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed at \$150. The fee for a firm with gross food sales over \$1,000,000 is \$200. The fee for a subsequent reinspection of a firm for the same violation is 50 percent of their current license fee or \$300, whichever is greater. The establishment must be issued written notice of violations with a reasonable date for compliance listed on the notice. An initial inspection relating to a complaint is not a reinspection.

Sec. 3. Minnesota Statutes 2014, section 31.122, is amended to read:

**31.122 FOOD; TOLERANCES FOR ADDED POISONOUS INGREDIENTS.**

Any added poisonous or deleterious substance, any food additive, any pesticide chemical in or on a raw agricultural commodity or any color additive, shall with respect to any particular use or intended use be deemed unsafe for the purpose of application of section ~~31.121, clause (b)~~ 34A.02, clause (2), with respect to any food, unless there is in effect a rule pursuant to section 31.101 limiting the quantity of such substance, and the use or intended use of such substance conforms to the terms prescribed by such rule. While such rules relating to such substance are in effect, a food shall not, by reason of bearing or containing such substance in accordance with the

rules, be considered adulterated within the meaning of section ~~31.121, clause (a)~~ 34A.02, clause (1). This section also applies to food prepared and sold by an individual who is exempt from food handler licensing requirements pursuant to the cottage foods exemption in section 28A.152.

Sec. 4. Minnesota Statutes 2014, section 31.94, is amended to read:

**31.94 ORGANIC AGRICULTURE; COMMISSIONER DUTIES.**

(a) In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota and other research and education institutions to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies ~~of how about~~ state or federal programs ~~could utilize and that~~ support organic agriculture practices; and

(5) work closely with producers, producer organizations, the University of Minnesota, ~~the Minnesota Trade Office~~, and other appropriate agencies and organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension work relating to organic agriculture.

(b) By November 15 of each year that ends in a zero or a five, the commissioner, in conjunction with the task force created in paragraph (c), shall report on the status of organic agriculture in Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include available data on organic acreage and production, available data on the sales or market performance of organic products, and recommendations regarding programs, policies, and research efforts that will benefit Minnesota's organic agriculture sector.

(c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the University of Minnesota on policies and programs that will improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meet the needs of the organic agriculture ~~community~~ sector. The task force must consist of the following residents of the state:

(1) three organic farmers;

(2) one wholesaler or distributor of organic products;

(3) one representative of organic certification agencies;

(4) two organic processors;

(5) one representative from University of Minnesota Extension;

(6) one University of Minnesota faculty member;

(7) one representative from a nonprofit organization representing producers;



- (8) two public members;
- (9) one representative from the United States Department of Agriculture;
- (10) one retailer of organic products; and
- (11) one organic consumer representative.

The commissioner, in consultation with the director of the Minnesota Agricultural Experiment Station; the dean and director of University of Minnesota Extension and the dean of the College of Food, Agricultural and Natural Resource Sciences, shall appoint members to serve three-year terms.

Compensation and removal of members are governed by section 15.059, subdivision 6. The task force must meet at least twice each year and expires on June 30, ~~2016~~ 2019.

(d) For the purposes of expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture, the commissioner may receive funds from state and federal sources and spend them, including through grants or contracts, to assist producers and processors to achieve certification, to conduct education or marketing activities, to enter into research and development partnerships, or to address production or marketing obstacles to the growth and well-being of the industry.

(e) The commissioner may facilitate the registration of state organic production and handling operations including those exempt from organic certification according to Code of Federal Regulations, title 7, section 205.101, and accredited certification ~~agents~~ agencies operating within the state.

Sec. 5. Minnesota Statutes 2015 Supplement, section 583.215, is amended to read:

**583.215 EXPIRATION.**

Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to 583.32, expire June 30, ~~2016~~ 2018.

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

Sec. 6. **FARMER-LENDER MEDIATION TASK FORCE.**

The commissioner of agriculture must convene an advisory task force to provide recommendations to the legislature regarding the state's Farmer-Lender Mediation Act. The task force must be comprised of 12 members, including one adult farm business management instructor appointed by the commissioner and three farmers appointed by the commissioner, at least one of whom is a beginning or nontraditional farmer and at least one of whom has personal experience with the farmer-lender mediation program. The remaining membership of the task force consists of one member appointed by each of the following entities:

- (1) Minnesota Farm Bureau;
- (2) Minnesota Farmers Union;
- (3) Minnesota Bankers Association;
- (4) Independent Community Bankers of Minnesota;

(5) Farm Credit Services - Minnesota State Federation;

(6) Minnesota Credit Union Network;

(7) Minnesota-South Dakota Equipment Dealers Association; and

(8) University of Minnesota Extension.

No later than February 1, 2017, the commissioner must report the task force's recommendations to the legislative committees with jurisdiction over agriculture policy and finance.

Sec. 7. **FARM SAFETY INITIATIVE.**

(a) The commissioner of agriculture shall analyze the range of safety challenges presented in the operation of a farm. The commissioner's analysis shall include consultation with organizations in Minnesota that address issues of farm safety. The commissioner shall report the findings to the legislative committees with jurisdiction over agricultural policy by February 1, 2017. The report must, at a minimum:

(1) provide information on how other states in the Midwest, including but not limited to Wisconsin, Iowa, and Nebraska, address farm safety issues;

(2) identify common safety issues faced by Minnesota farmers that need attention, including common causes of farm-related accidents;

(3) identify how farm safety programs can better serve the growing farm labor population; and

(4) make recommendations to the legislature on how to improve farm safety efforts in Minnesota.

(b) By October 1, 2016, the commissioner of agriculture shall compile an inventory of farm safety programs and resources that are currently available in Minnesota. After compiling the inventory, the commissioner shall make available the inventory and promote to farm operators in Minnesota the farm safety programs and resources contained in the inventory.

Sec. 8. **REPEALER.**

Laws 2015, First Special Session chapter 4, article 2, section 81, is repealed.

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

Delete the title and insert:

"A bill for an act relating to agriculture; making various policy and technical changes to agriculture-related provisions; establishing a Farmer-Lender Mediation Task Force and a Farm Safety Initiative; requiring reports; amending Minnesota Statutes 2014, sections 18B.345; 28A.085, subdivision 1; 31.122; 31.94; Minnesota Statutes 2015 Supplement, section 583.215; repealing Laws 2015, First Special Session chapter 4, article 2, section 81."

The motion prevailed and the amendment was adopted.

Anderson, P., moved to amend S. F. No. 3018, the second engrossment, as amended, as follows:

Page 2, line 19, delete "This section also applies"

Page 2, lines 20 and 21, delete the new language

Page 4, line 17, delete "12" and insert "15" and after "including" insert "the commissioner or the commissioner's designee, one farm advocate appointed by the commissioner who is responsible for mediating debt between farmers and lenders,"

Page 4, line 18, delete "three" and insert "four"

The motion prevailed and the amendment was adopted.

Hamilton moved to amend S. F. No. 3018, the second engrossment, as amended, as follows:

Page 4, after line 8, insert:

"Sec. 5. Minnesota Statutes 2015 Supplement, section 41A.14, is amended to read:

**41A.14 AGRICULTURE RESEARCH, EDUCATION, EXTENSION, AND TECHNOLOGY TRANSFER GRANT PROGRAM.**

Subdivision 1. **Duties; grants.** The agriculture research, education, extension, and technology transfer grant program is created. The purpose of the grant program is to provide investments that will most efficiently achieve long-term agricultural productivity increases through improved infrastructure, vision, and accountability. The scope and intent of the grants, to the extent possible, shall provide for a long-term base funding that allows the ~~research~~ grantee to continue the functions of the research, education, ~~and extension,~~ and technology transfer efforts to a practical conclusion. Priority for grants shall be given to human infrastructure. The commissioner shall provide grants for:

(1) agricultural research, extension, and technology transfer needs ~~and recipients including agricultural research and extension at the University of Minnesota, research and outreach centers, the College of Food, Agricultural and Natural Resource Sciences, the Minnesota Agricultural Experiment Station, University of Minnesota Extension Service, the University of Minnesota Veterinary School, the Veterinary Diagnostic Laboratory, the Stakman Borlaug Center, and the Minnesota Agriculture Fertilizer Research and Education Council; for use by any of the following:~~

(i) the College of Food, Agricultural and Natural Resource Sciences;

(ii) the Minnesota Agricultural Experiment Station;

(iii) the University of Minnesota Extension Service;

(iv) the University of Minnesota Veterinary School;

(v) the Veterinary Diagnostic Laboratory; or

(vi) the Stakman-Borlaug Center;

(2) agriculture rapid response for plant and animal diseases and pests; and

(3) agricultural education including but not limited to the Minnesota Agriculture Education Leadership Council, farm business management, mentoring programs, graduate debt forgiveness, and high school programs.

Subd. 2. **Advisory panel.** (a) In awarding grants under this section, the commissioner and a representative of the College of Food, Agricultural and Natural Resource Sciences at the University of Minnesota must consult with an advisory panel consisting of the following stakeholders:

~~(1) a representative of the College of Food, Agricultural and Natural Resource Sciences at the University of Minnesota;~~

~~(2)~~ (1) a representative of the Minnesota State Colleges and Universities system;

~~(3)~~ (2) a representative of the Minnesota Farm Bureau;

~~(4)~~ (3) a representative of the Minnesota Farmers Union;

~~(5)~~ (4) a person representing agriculture industry statewide;

~~(6)~~ (5) a representative of each of the state commodity councils organized under section 17.54 and the Minnesota Pork Board;

~~(7)~~ (6) a person representing an association of primary manufacturers of forest products;

~~(8)~~ (7) a person representing organic or sustainable agriculture; and

~~(9)~~ (8) a person representing statewide environment and natural resource conservation organizations.

(b) Members under paragraph (a), clauses (1) to (3) and (5), shall be chosen by their respective organizations.

Subd. 3. **Account.** An agriculture research, education, extension, and technology transfer account is created in the agricultural fund in the state treasury. The account consists of money received in the form of gifts, grants, reimbursement, or appropriations from any source for any of the purposes provided in subdivision 1, and any interest or earnings of the account. Money in the account is appropriated to the commissioner of agriculture for the purposes under subdivision 1.

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

Page 4, after line 13, insert:

"Sec. 7. Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. <b>Agriculture, Bioenergy, and Bioproduct Advancement</b>	14,993,000	19,010,000
--	------------	------------

\$4,483,000 the first year and \$8,500,000 the second year are for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3. The transfer in this paragraph includes money for plant breeders at the University of Minnesota for wild rice, potatoes, and grapes. Of these amounts, at least \$600,000

each year is for ~~agriculture rapid response~~ the Minnesota Agricultural Experiment Station's Agriculture Rapid Response Fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2). Of the amount appropriated in this paragraph, \$1,000,000 each year is for transfer to the Board of Regents of the University of Minnesota for research to determine (1) what is causing avian influenza, (2) why some fowl are more susceptible, and (3) prevention measures that can be taken. Of the amount appropriated in this paragraph, \$2,000,000 each year is for grants to the Minnesota Agriculture Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants. The commissioner shall transfer the remaining grant funds in this appropriation each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14.

To the extent practicable, funds expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

\$10,235,000 the first year and \$10,235,000 the second year are for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12. No later than February 1, 2016, and February 1, 2017, the commissioner must report to the legislative committees with jurisdiction over agriculture policy and finance regarding the commissioner's accomplishments and anticipated accomplishments in the following areas: facilitating the start-up, modernization, or expansion of livestock operations including beginning and transitioning livestock operations; developing new markets for Minnesota farmers by providing more fruits, vegetables, meat, grain, and dairy for Minnesota school children; assisting value-added agricultural businesses to begin or expand, access new markets, or diversify products; developing urban agriculture; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms including loans under Minnesota Statutes, section 41B.056; sustainable agriculture on farm research and demonstration; development or expansion of food hubs and other alternative community-based food distribution systems; and research on bioenergy, biobased content, or biobased formulated products and other renewable energy development. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2017, for agricultural growth, research, and innovation grants are available until June 30, 2019.

The commissioner may use funds appropriated for the agricultural growth, research, and innovation program as provided in this paragraph. The commissioner may award grants to owners of Minnesota facilities producing bioenergy, biobased content, or a biobased formulated product; to organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse strands of prairie plants and other perennials for bioenergy systems; or to certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material, as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic materials via gasification or other processes. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy, biobased content, or biobased formulated product production or \$500,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The commissioner shall make a good-faith effort to select projects that have merit and, when taken together, represent a variety of bioenergy technologies, biomass feedstocks, and geographic regions of the state. Projects must have a qualified engineer provide certification on the technology and fuel source. Grantees must provide reports at the request of the commissioner.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$1,000,000 the first year and \$1,000,000 the second year are for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$500,000 in fiscal year 2016 and \$1,500,000 in fiscal year 2017 are for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, and 41A.18. If the appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available to the commissioner for the agricultural growth, research, and innovation program. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2017, and the second year appropriation is available until June 30, 2018. The commissioner may use up to 4.5 percent of the appropriation for administration of the incentive payment programs.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$250,000 the first year is for grants to communities to develop or expand food hubs and other alternative community-based food distribution systems. Of this amount, \$50,000 is for the commissioner to consult with

existing food hubs, alternative community-based food distribution systems, and University of Minnesota Extension to identify best practices for use by other Minnesota communities. No later than December 15, 2015, the commissioner must report to the legislative committees with jurisdiction over agriculture and health regarding the status of emerging alternative community-based food distribution systems in the state along with recommendations to eliminate any barriers to success. Any unencumbered balance does not cancel at the end of the first year and is available for the second year. This is a onetime appropriation.

\$250,000 the first year and \$250,000 the second year are for grants that enable retail petroleum dispensers to dispense biofuels to the public in accordance with the biofuel replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this paragraph if the retail petroleum dispenser has no more than 15 retail petroleum dispensing sites and each site is located in Minnesota. The grant money received under this paragraph must be used for the installation of appropriate technology that uses fuel dispensing equipment appropriate for at least one fuel dispensing site to dispense gasoline that is blended with 15 percent of agriculturally derived, denatured ethanol, by volume, and appropriate technical assistance related to the installation. A grant award must not exceed 85 percent of the cost of the technical assistance and appropriate technology, including remetering of and retrofits for retail petroleum dispensers and replacement of petroleum dispenser projects. The commissioner may use up to \$35,000 of this appropriation for administrative expenses. The commissioner shall cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner must report to the legislative committees with jurisdiction over agriculture policy and finance by February 1 each year, detailing the number of grants awarded under this paragraph and the projected effect of the grant program on meeting the biofuel replacement goals under Minnesota Statutes, section 239.7911. These are onetime appropriations.

\$25,000 the first year and \$25,000 the second year are for grants to the Southern Minnesota Initiative Foundation to promote local foods through an annual event that raises public awareness of local foods and connects local food producers and processors with potential buyers.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Hansen moved to amend the Hamilton amendment to S. F. No. 3018, the second engrossment, as amended, as follows:

Page 3, line 31, after the period, insert "The Board of Regents must use a portion of the transferred funds to perform emerald ash borer research and mitigation."

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment to the Hamilton amendment and the roll was called. There were 55 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Isaacson	Mariani	Norton	Thissen
Anzelc	Fischer	Johnson, S.	Marquart	Pelowski	Wagenius
Bernardy	Flanagan	Kahn	Masin	Persell	Ward
Bly	Freiberg	Laine	Metsa	Pinto	Yarusso
Carlson	Halverson	Lesch	Moran	Rosenthal	Youakim
Clark	Hansen	Liebling	Mullery	Schoen	
Davids	Hausman	Lien	Murphy, E.	Schultz	
Davnie	Hilstrom	Lillie	Murphy, M.	Selcer	
Dehn, R.	Hornstein	Loeffler	Nelson	Simonson	
Ecklund	Hortman	Mahoney	Newton	Slocum	

Those who voted in the negative were:

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

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

The question recurred on the Hamilton amendment to S. F. No. 3018, the second engrossment, as amended. The motion prevailed and the amendment was adopted.

Hamilton moved to amend S. F. No. 3018, the second engrossment, as amended, as follows:

Page 4, after line 8, insert:

"Sec. 5. **[216B.1642] SOLAR SITE MANAGEMENT.**

**Subdivision 1. Site management practices.** An owner of a ground-mounted solar site with a generating capacity of more than 40 kilowatts may follow site management practices that (1) provide native perennial vegetation and foraging habitat beneficial to gamebirds, songbirds, and pollinators, and (2) reduce storm water



runoff and erosion at the solar generation site. To the extent practicable, when establishing perennial vegetation and beneficial foraging habitat, a solar site owner shall use native plant species and seed mixes under Department of Natural Resources "Prairie Establishment and Maintenance Technical Guidance for Solar Projects."

Subd. 2. **Recognition of beneficial habitat.** An owner of a solar site implementing solar site management practices under this section may claim that the site provides benefits to gamebirds, songbirds, and pollinators only if the site adheres to guidance set forth by the pollinator plan provided by the Board of Water and Soil Resources or any other gamebird, songbird, or pollinator foraging-friendly vegetation standard established by the Board of Water and Soil Resources. An owner making a beneficial habitat claim must make the site's vegetation management plan available to the public and provide a copy of the plan to a Minnesota nonprofit solar industry trade association."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn offered an amendment to S. F. No. 3018, the second engrossment, as amended.

#### POINT OF ORDER

Albright raised a point of order pursuant to rule 3.21 that the Kahn amendment was not in order. Speaker pro tempore Garofalo ruled the point of order well taken and the Kahn amendment out of order.

S. F. No. 3018, A bill for an act relating to agriculture; making various policy and technical changes to agricultural-related provisions; modifying certain agricultural-related appropriations; amending Minnesota Statutes 2014, sections 17.53, subdivision 16; 18B.345; 28A.085, subdivision 1; 31.122; 31.94; Minnesota Statutes 2015 Supplement, sections 41A.14; 583.215; Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Laws 2015, First Special Session chapter 4, article 2, section 81.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Bennett	Davnie	Fischer	Hansen	Johnson, B.
Allen	Bernardy	Dean, M.	Flanagan	Hausman	Johnson, C.
Anderson, C.	Bly	Dehn, R.	Franson	Heintzeman	Johnson, S.
Anderson, M.	Carlson	Dettmer	Freiberg	Hertaus	Kahn
Anderson, P.	Christensen	Drazkowski	Garofalo	Hilstrom	Kelly
Anderson, S.	Clark	Ecklund	Green	Hoppe	Kiel
Anzelc	Considine	Erhardt	Gruenhagen	Hornstein	Knoblach
Backer	Cornish	Erickson	Hackbarth	Hortman	Koznick
Baker	Daniels	Fabian	Halverson	Howe	Kresha
Barrett	Davids	Fenton	Hamilton	Isaacson	Laine

Lesch	Mariani	Nelson	Pierson	Selcer	Ward
Liebling	Marquart	Newberger	Pinto	Simonson	Whelan
Lien	Masin	Newton	Poppe	Slocum	Wills
Lillie	McDonald	Nornes	Pugh	Smith	Yarusso
Loeffler	McNamara	Norton	Quam	Swedzinski	Youakim
Lohmer	Metsa	O'Driscoll	Rarick	Theis	Zerwas
Loon	Miller	O'Neill	Rosenthal	Thissen	Spk. Daudt
Loonan	Moran	Pelowski	Runbeck	Torkelson	
Lucero	Mullery	Peppin	Sanders	Uglen	
Lueck	Murphy, E.	Persell	Schoen	Urdahl	
Mack	Murphy, M.	Petersburg	Schultz	Vogel	
Mahoney	Nash	Peterson	Scott	Wagenius	

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

S. F. No. 3368 was reported to the House.

Drazkowski moved to amend S. F. No. 3368, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3723, the first engrossment:

"Section 1. Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10, is amended to read:

Subd. 10. **Temporary permit for certain field application.** (a) In connection with the use of ~~the~~ road right-of-way ~~of a road authority controlled by the commissioner~~, excluding on controlled-access highways under section 160.08, a property owner or occupant of property abutting the road right-of-way may apply for a permit for temporary placement, for up to 14 days, of a pressurized flexible force main for the transport of manure for field application.

(b) The property owner or occupant must:

- (1) identify the entire length of the right-of-way for use under the permit;
- (2) place the force main within the backslope of the ~~road authority's~~ right-of-way where possible;
- (3) place pumping equipment outside of the ~~road authority's~~ right-of-way; and
- (4) meet all of the permit requirements identified by the ~~road authority~~ commissioner.

(c) Once the ~~road authority~~ commissioner has issued a permit, the property owner or occupant may ~~install~~ place the force main over the length of the right-of-way from the permittee's property to where the manure will be applied, irrespective of whether the permittee is the owner or occupant of all property abutting the portion of the right-of-way where the force main is to be ~~installed~~ placed.

Sec. 2. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

Subd. 11. **General authority for certain field application.** (a) A property owner or occupant of property may, with respect to a county highway, including a county state-aid highway, or town road, temporarily place a pressurized flexible force main for the transport of manure for field application if the following requirements are met:

(1) the road is not a controlled-access highway under section 160.08;

(2) the force main remains in place for no more than 21 days;

(3) the force main is placed within the backslope of the road right-of-way where possible, and is not placed on the roadway, as defined in section 169.011, subdivision 68;

(4) pumping equipment is placed outside the road right-of-way;

(5) the property owner or occupant notifies, whether verbally or in writing, the appropriate county or town at least one business day prior to placement of the force main in the right-of-way; and

(6) field application is performed by the holder of a valid commercial animal waste technician applicator license under section 18C.430.

(b) A notification under paragraph (a), clause (5), must include the starting and estimated ending dates of field application, a basic description of the entire length of the right-of-way being used, and the name of the business or commercial animal waste technician applicator license holder performing field application.

(c) A property owner or occupant who meets the requirements under paragraphs (a) and (b) may place the force main over the length of the right-of-way from that property owner's or occupant's property to where the manure will be applied, irrespective of whether the person is the owner or occupant of all property abutting the portion of the right-of-way where the force main is to be placed.

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

Delete the title and insert:

"A bill for an act relating to transportation; modifying requirements for temporary use of certain rights-of-way; amending Minnesota Statutes 2014, section 160.27, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10."

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 70 yeas and 57 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Erhardt	Isaacson	Mahoney	Newton	Simonson
Anzelc	Fischer	Johnson, C.	Mariani	Norton	Slocum
Bernardy	Flanagan	Johnson, S.	Marquart	Pelowski	Thissen
Bly	Freiberg	Kahn	Masin	Persell	Wagenius
Carlson	Halverson	Laine	Metsa	Pinto	Ward
Clark	Hansen	Lesch	Moran	Poppe	Yarusso
Considine	Hausman	Liebling	Mullery	Rosenthal	Youakim
Davnie	Hilstrom	Lien	Murphy, E.	Schoen	
Dehn, R.	Hornstein	Lillie	Murphy, M.	Schultz	
Ecklund	Hortman	Loeffler	Nelson	Selcer	

The motion prevailed and the amendment was adopted.

Green moved to amend S. F. No. 3368, the second engrossment, as amended, as follows:

Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

Subd. 12. **Damage or spills; liability.** A commercial animal waste technician company licensed under section 18C.430 using a pressurized flexible force main for the transport of manure for field application under subdivision 11 is liable for the costs of clean up and repair for any spill or damage caused during the placement, use, or removal of the pressurized flexible force main.

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

Correct the title numbers accordingly

The motion prevailed and the amendment was adopted.

Drazkowski moved to amend S. F. No. 3368, the second engrossment, as amended, as follows:

Page 1, line 9, before "Temporary" insert "Department of Transportation" and delete "certain"

Page 1, line 12, strike "abutting the road right-of-way"

Page 1, after line 25, insert:

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

Page 2, line 10, before the semicolon, insert ", of a public road"

Page 2, after line 11, insert:

"(5) the force main placement does not unreasonably interfere with: (i) another landowner or occupant's access to the owner or occupant's property, (ii) the safe use of the right-of-way in which the force main is placed, (iii) the safe use of any driveway or private road that the force main crosses, or (iv) maintenance activities authorized by the road authority;"

Page 2, line 12, delete "(5)" and insert "(6)"

Page 2, line 15, delete "(6)" and insert "(7)"

Page 2, line 16, before the period, insert ", including proof of financial responsibility"

Page 2, line 19, after "name" insert ", address, and phone number"

Page 2, after line 20, insert:

"(c) The property owner or occupant is responsible for restoring the right-of-way to the preplacement condition, including the immediate cleanup of any spillage or leakage of manure into the right-of-way."

Page 2, line 21, delete "(c)" and insert "(d)"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Bly moved to amend the Drazkowski amendment to S. F. No. 3368, the second engrossment, as amended, as follows:

Page 1, after line 7, insert:

"Page 2, delete lines 2 to 6 and insert:

"Subd. 11. **General authority for certain field application.** When the local road authority has not adopted a permitting process under subdivision 11, an owner or occupant may place a pressurized force main in a local road right-of-way if:"

Page 2, line 8, before the semicolon, insert ". The duration that a force main may be placed in a right-of-way may be extended by the commissioner with regard to rights-of-way under the commissioner's control, or by the applicable local road authority if application delays are encountered due to weather, natural disaster, or declared public emergency;"

Page 1, after line 15, insert:

"Page 2, line 14, delete "and"

Page 1, line 17, delete "before" and insert "delete" and after "responsibility" insert "; and"

Page 1, after line 17, insert:

"Page 2, after line 16, insert:

"(7) the road authority fails within the five-day notice period to notify the owner or occupant of the road authority's scheduled maintenance activities that would be unduly interfered with if the placement were to occur during the maintenance activity."

Page 1, after line 23, insert:

"Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

**Subd. 12. Local road authority temporary permit for certain field application.** A local road authority may, by ordinance, establish a permitting process to authorize the placement of force mains within that road authority's rights-of-way. A local road authority that has implemented a permitting process shall issue a permit to any property owner or occupant who applies for a permit to place a force main within a right-of-way subject to the road authority's control for the purpose of transporting manure for field application by means of a pressurized flexible force main if:

(1) the applicant submits a complete application at least five days prior to the day the applicant intends to place the force main within the identified right-of-way;

(2) the applicant identifies the intended starting and end points and the intended path of the placement;

(3) the identified right-of-way is not a controlled-access highway under section 160.08;

(4) the applicant provides his or her full name, address, and phone number where the applicant can be reached during the time the force main is placed within the right-of-way and any other contact information where the applicant can be reached after the force main has been removed from the right-of-way;

(5) the applicant holds a valid commercial animal waste technician applicator license under section 18C.430, including proof of insurance and financial responsibility;

(6) the applicant provides the intended dates the force main will be placed in the right-of-way;

(7) the placement will not unreasonably interfere with maintenance activities authorized by the road authority; and

(8) the force main placement will not unreasonably interfere with: (i) another landowner or occupant's access to the owner's or occupant's property; (ii) the safe use of the right-of-way in which the force main is placed; or (iii) the safe use of any road that must be crossed by the force main.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to permit applications submitted on or after adoption by the road authority of a compliant permit system or 45 days after the effective date of this section, whichever occurs first.

Sec. 4. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

**Subd. 13. Force main placement; miscellaneous.** (a) No city, county, or town road authority shall be subject to any cause of action arising from or related to the placement or operation of a pressurized flexible force main under this section.

(b) Except for roads subject to the commissioner's control, no permit or notice shall be required under this section if the placement of the force main is necessary to deal with emergency pumping activities created by flooding, natural disaster, or declared emergency. The owner or occupant must make a good-faith effort to notify the road authority of the emergency placement and operation of a force main under this paragraph. Any force main placed under the emergency conditions set forth in this paragraph must be removed within three days following the end of the flood, natural disaster response, or declared emergency.

(c) The commissioner or applicable local road authority may remove or have removed, at the owner or occupant's expense, any force main remaining in a right-of-way after the authorized number of days allowed under this section.

(d) The owner or occupant is responsible for restoring the right-of-way to the preplacement condition, including the immediate cleanup of any spillage or leakage of manure into the right-of-way.

(e) The commissioner, or a local road authority may, by ordinance, restrict the number and size of force mains simultaneously located in the same right-of-way.

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

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

The question recurred on the Drazkowski amendment to S. F. No. 3368, the second engrossment, as amended. The motion prevailed and the amendment was adopted.

S. F. No. 3368, A bill for an act relating to transportation; modifying permit requirements for temporary use of certain rights-of-way; amending Minnesota Statutes 2014, section 160.27, by adding subdivisions; Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10.

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

The question was taken on the passage of the bill and the roll was called. There were 72 yeas and 55 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Davnie	Halverson	Johnson, C.	Lillie	Moran
Anzelc	Dehn, R.	Hansen	Johnson, S.	Loeffler	Mullery
Bernardy	Ecklund	Hausman	Kahn	Mahoney	Murphy, E.
Bly	Erhardt	Hilstrom	Laine	Mariani	Murphy, M.
Carlson	Fischer	Hornstein	Lesch	Marquart	Nelson
Clark	Flanagan	Hortman	Liebling	Masin	Newton
Considine	Freiberg	Isaacson	Lien	Metsa	Norton

Persell	Schoen	Simonson	Wagenius	Youakim
Pinto	Schultz	Slocum	Ward	
Rosenthal	Selcer	Thissen	Yarusso	

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

H. F. No. 2841, A bill for an act relating to solid waste; providing for management of metropolitan landfill contingency action trust account; amending Minnesota Statutes 2014, section 473.845, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Allen	Clark	Hornstein	Lesch	Metsa	Thissen
-------	-------	-----------	-------	-------	---------

The bill was passed and its title agreed to.

H. F. No. 2844 was reported to the House.

Hackbarth moved to amend H. F. No. 2844, the third engrossment, as follows:

Page 1, delete section 2



Page 7, delete section 13 and insert:

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

Subd. 2. **Personal possession.** (a) A person acting under a license or traveling from an area where a licensed activity was performed must have in personal possession either: (1) the proper license, if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

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

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

(d) A license issued electronically and not immediately provided to the licensee shall be mailed to the licensee within 30 days of purchase of the license. A pictorial migratory waterfowl, pheasant, trout and salmon, or walleye stamp shall be provided to the licensee after purchase of a stamp validation only if the licensee pays an additional fee that covers the costs of producing and mailing a pictorial stamp. ~~A pictorial turkey stamp may be purchased for a fee that covers the costs of producing and mailing the pictorial stamp.~~ Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for providing the pictorial stamps. The fees must be set in an amount that does not recover significantly more or less than the cost of producing and mailing the stamps. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply."

Page 17, delete section 30

Page 18, delete section 36

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Erickson moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 21, after line 7, insert:

"Sec. 40. LAKE MILLE LACS MANAGEMENT REPORT.

By February 1, 2017, the commissioner of natural resources must submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over outdoor recreation and the environment and natural resources that includes:

(1) the state's chain of command for state and tribal comanagement of Lake Mille Lacs, including those involved from the: Department of Natural Resources' area, regional and central offices; attorney general's office; the governor's office; and any other state agencies involved; and

(2) minutes and summaries from 2000 through 2016 for all Lake Mille Lacs management-related state and tribal fisheries technical committee meetings, including meetings with the Great Lakes Indian Fish and Wildlife Commission."

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 Erickson amendment and the roll was called. There were 76 yeas and 50 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anzelc	Erhardt	Hortman	Mahoney	Norton	Thissen
Bernardy	Fischer	Isaacson	Mariani	Persell	Wagenius
Bly	Flanagan	Johnson, S.	Masin	Pinto	Ward
Carlson	Freiberg	Kahn	Metsa	Rosenthal	Yarusso
Clark	Halverson	Laine	Moran	Schoen	Youakim
Considine	Hansen	Lesch	Mullery	Schultz	
Davnie	Hausman	Liebling	Murphy, E.	Selcer	
Dehn, R.	Hilstrom	Lillie	Nelson	Simonson	
Ecklund	Hornstein	Loeffler	Newton	Slocum	

The motion prevailed and the amendment was adopted.

Hansen moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 4, after line 27, insert:

"Sec. 6. **[97A.036] USE OF UNMANNED AIRCRAFT SYSTEMS TO TAKE WILD ANIMALS PROHIBITED.**

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

(b) "Fixed wing model unmanned aircraft" means an unmanned aircraft with fixed wings that is capable of sustained flight in the atmosphere, flown within visual line of sight of the person operating the aircraft, and flown only for hobby or recreational purposes.

(c) "Unmanned aircraft" means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft.

(d) "Unmanned aircraft system" means an unmanned aircraft and associated elements, including communication links and the components that control the unmanned aircraft, that are required for the pilot in command to operate safely and efficiently in the national airspace system.

**Subd. 2. Prohibition.** A person may not use an unmanned aircraft system to take, harm, or harass a wild animal.

**Subd. 3. Exemptions.** This section does not apply to unmanned aircraft systems:

(1) used for public safety purposes at or near airports; or

(2) that are fixed wing model unmanned aircraft flown in compliance with applicable state and federal laws."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 57 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Isaacson	Mahoney	Newton	Simonson
Anzelc	Fischer	Johnson, C.	Mariani	Norton	Slocum
Bernardy	Flanagan	Johnson, S.	Marquart	Pelowski	Thissen
Bly	Freiberg	Kahn	Masin	Persell	Wagenius
Carlson	Halverson	Laine	Metsa	Pinto	Ward
Clark	Hansen	Lesch	Moran	Poppe	Yarusso
Considine	Hausman	Liebling	Mullery	Rosenthal	Youakim
Davnie	Hilstrom	Lien	Murphy, E.	Schoen	
Dehn, R.	Hornstein	Lillie	Murphy, M.	Schultz	
Ecklund	Hortman	Loeffler	Nelson	Selcer	

Those who voted in the negative were:

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

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

Pursuant to rule 1.50, Peppin moved that the House be allowed to continue in session after 12:00 midnight. The motion prevailed.

Hansen moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 13, delete section 23

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 49 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Allen	Fischer	Johnson, C.	Mahoney	Pinto	Wagenius
Bernardy	Flanagan	Johnson, S.	Mariani	Poppe	Ward
Bly	Freiberg	Kahn	Masin	Rosenthal	Yarusso
Carlson	Halverson	Laine	Moran	Schoen	Youakim
Clark	Hansen	Lesch	Mullery	Schultz	
Considine	Hausman	Liebling	Murphy, E.	Selcer	
Davnie	Hornstein	Lien	Murphy, M.	Simonson	
Dehn, R.	Hortman	Lillie	Nelson	Slocum	
Erhardt	Isaacson	Loeffler	Norton	Thissen	

Those who voted in the negative were:

Albright	Anderson, S.	Barrett	Daniels	Drazkowski	Fenton
Anderson, C.	Anzelc	Bennett	Davids	Ecklund	Franson
Anderson, M.	Backer	Christensen	Dean, M.	Erickson	Garofalo
Anderson, P.	Baker	Cornish	Dettmer	Fabian	Green

Gruenhagen	Kiel	Mack	Nornes	Pugh	Torkelson
Hackbarth	Knobloch	Marquart	O'Driscoll	Quam	Uglem
Hamilton	Koznick	McDonald	O'Neill	Rarick	Urdahl
Heintzeman	Kresha	McNamara	Pelowski	Runbeck	Vogel
Hertaus	Lohmer	Metsa	Peppin	Sanders	Whelan
Hoppe	Loon	Miller	Persell	Scott	Wills
Howe	Loonan	Nash	Petersburg	Smith	Zerwas
Johnson, B.	Lucero	Newberger	Peterson	Swedzinski	Spk. Daudt
Kelly	Lueck	Newton	Pierson	Theis	

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

Yarusso moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 15, delete section 27

Page 20, delete section 38

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Metsa moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 18, delete section 34

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 Metsa amendment and the roll was called. There were 62 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Allen	Daniels	Hausman	Lien	Nash	Simonson
Anderson, P.	Davnie	Hilstrom	Lillie	Nelson	Slocum
Anderson, S.	Dehn, R.	Hornstein	Loeffler	Norton	Swedzinski
Anzelc	Ecklund	Hortman	Mahoney	O'Neill	Thissen
Barrett	Fenton	Isaacson	Mariani	Pelowski	Ward
Bennett	Fischer	Johnson, C.	Marquart	Pinto	Yarusso
Bernardy	Flanagan	Johnson, S.	Metsa	Poppe	Youakim
Bly	Franson	Kahn	Moran	Rosenthal	
Carlson	Freiberg	Laine	Mullery	Schoen	
Clark	Halverson	Lesch	Murphy, E.	Schultz	
Considine	Hansen	Liebling	Murphy, M.	Selcer	

Those who voted in the negative were:

Albright	Erhardt	Howe	Mack	Petersburg	Torkelson
Anderson, C.	Erickson	Johnson, B.	Masin	Peterson	Uglen
Anderson, M.	Fabian	Kelly	McDonald	Pierson	Vogel
Backer	Garofalo	Kiel	McNamara	Pugh	Wagenius
Baker	Green	Knobloch	Miller	Quam	Whelan
Christensen	Gruenhagen	Koznick	Newberger	Rarick	Wills
Cornish	Hackbarth	Kresha	Newton	Runbeck	Zerwas
Davids	Hamilton	Loon	Nornes	Sanders	Spk. Daudt
Dean, M.	Heintzeman	Loonan	O'Driscoll	Scott	
Dettmer	Hertaus	Lucero	Peppin	Smith	
Drazkowski	Hoppe	Lueck	Persell	Theis	

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

Fischer moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 18, after line 8, insert:

"Sec. 34. **[97B.929] PLACING TRAPS OR SNARES ON PRIVATE LAND; WRITTEN PERMISSION REQUIRED.**

A person may not set or place a trap or snare on private property that is not subject to a requirement to be open to the public, other than property owned or occupied by the person, unless the person has the written permission of the owner, occupant, or lessee of the private property. This section includes, but is not limited to, written permission to access private property from waters of the state when the trap or snare is placed or staked in the water."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Fischer moved to amend the Fischer amendment to H. F. No. 2844, the third engrossment, as amended, as follows:

Page 1, before line 3, insert:

"Sec. 34. Minnesota Statutes 2014, section 97B.903, is amended to read:

**97B.903 USE OF BODY-GRIPPING TRAPS.**

(a) A person may not set, place, or operate, except as a waterset, a body-gripping ~~or combear-type~~ trap on public lands and waters that has a maximum jaw opening when set greater than 6-1/2 inches and less than 7-1/2 inches measured from the inside edges of the body-gripping portions of the jaws, unless:

(1) the trap is in a baited or unbaited enclosure and the trap trigger is recessed seven inches or more from the top and frontmost portion of the open end of the enclosure;

(2) no bait, lure, or other attractant is placed within 20 feet of the trap; or

(3) the trap is elevated at least three feet above the surface of the ground or snowpack.

(b) Notwithstanding paragraph (a), a person may not set, place, or operate a body-gripping trap that has a maximum jaw opening greater than 6-1/2 inches and less than 7-1/2 inches measured from the inside edges of the body-gripping portions of the jaws, in a baited or unbaited enclosure, within 50 feet of the center line of a public road or public trail, or up to the boundary of private property, whichever is less.

(c) For the purposes of this section, "public road" means a state, county, city, or township road, and "public trail" means a state trail designated under section 85.015."

Page 1, line 3, delete "34" and insert "35"

A roll call was requested and properly seconded.

The question was taken on the Fischer amendment to the Fischer amendment and the roll was called. There were 62 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Isaacson	Loon	Norton	Thissen
Anderson, C.	Fenton	Johnson, C.	Mahoney	Persell	Uglen
Bennett	Fischer	Johnson, S.	Mariani	Peterson	Wagenius
Bernardy	Flanagan	Kahn	Masin	Pinto	Ward
Bly	Freiberg	Laine	McNamara	Rosenthal	Wills
Carlson	Halverson	Lesch	Moran	Schoen	Yarusso
Christensen	Hansen	Liebling	Mullery	Schultz	Youakim
Clark	Hausman	Lien	Murphy, E.	Selcer	
Considine	Hilstrom	Lillie	Murphy, M.	Simonson	
Davnie	Hornstein	Loeffler	Nelson	Slocum	
Dehn, R.	Hortman	Lohmer	Newton	Smith	

Those who voted in the negative were:

Albright	Dettmer	Heintzeman	Lucero	O'Neill	Theis
Anderson, M.	Drazkowski	Hertaus	Lueck	Pelowski	Torkelson
Anderson, P.	Ecklund	Hoppe	Mack	Peppin	Urdahl
Anderson, S.	Erickson	Howe	Marquart	Petersburg	Vogel
Anzelc	Fabian	Johnson, B.	McDonald	Pierson	Whelan
Backer	Franson	Kelly	Metsa	Poppe	Spk. Daudt
Baker	Garofalo	Kiel	Miller	Quam	
Barrett	Green	Knoblach	Nash	Rarick	
Cornish	Gruenhagen	Koznick	Newberger	Runbeck	
Daniels	Hackbarth	Kresha	Nornes	Scott	
Davids	Hamilton	Loonan	O'Driscoll	Swedzinski	

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

The question recurred on the Fischer amendment, as amended, and the roll was called. There were 56 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Isaacson	Loeffler	Peterson	Thissen
Anderson, C.	Fischer	Johnson, C.	Loon	Pinto	Wagenius
Bennett	Flanagan	Johnson, S.	Mahoney	Rosenthal	Ward
Bernardy	Freiberg	Kahn	Mariani	Runbeck	Wills
Bly	Halverson	Knoblach	Masin	Schoen	Yarusso
Carlson	Hansen	Laine	Moran	Schultz	Youakim
Clark	Hausman	Lesch	Mullery	Selcer	
Considine	Hilstrom	Liebling	Murphy, E.	Simonson	
Davnie	Hornstein	Lien	Newton	Slocum	
Dehn, R.	Hortman	Lillie	Norton	Smith	

Those who voted in the negative were:

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

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

Dehn, R., moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 7, line 20, after "laws" insert "or the violation was committed by a person who was found in violation of taking, possessing, or transporting a threatened or endangered wild animal in violation of the game and fish laws previously and the violation occurred within three years of the date of the subsequent violation"

A roll call was requested and properly seconded.

The question was taken on the Dehn, R., amendment and the roll was called. There were 40 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Allen	Dehn, R.	Hornstein	Liebling	Norton	Thissen
Bernardy	Erhardt	Hortman	Loeffler	Pinto	Wagenius
Bly	Fischer	Isaacson	Mahoney	Rosenthal	Ward
Carlson	Flanagan	Johnson, S.	Mariani	Schoen	Yarusso
Clark	Freiberg	Kahn	Masin	Schultz	Youakim
Considine	Hansen	Laine	Mullery	Selcer	
Davnie	Hausman	Lesch	Newton	Slocum	



Those who voted in the negative were:

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

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

Rosenthal moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 17, after line 24, insert:

"Sec. 32. Minnesota Statutes 2014, section 97B.645, subdivision 9, is amended to read:

Subd. 9. **No open season.** ~~There shall be is no open season for wolves until after the wolf is delisted under the federal Endangered Species Act of 1973. After that time, the commissioner may prescribe open seasons and restrictions for taking wolves but must provide opportunity for public comment."~~

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 Rosenthal amendment and the roll was called. There were 53 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Allen	Erhardt	Hortman	Loeffler	Newton	Simonson
Anderson, C.	Fischer	Isaacson	Loon	Norton	Slocum
Bernardy	Flanagan	Johnson, S.	Mahoney	Pelowski	Thissen
Bly	Freiberg	Kahn	Mariani	Persell	Wagenius
Carlson	Halverson	Laine	Masin	Pinto	Ward
Clark	Hansen	Lesch	Moran	Rosenthal	Wills
Considine	Hausman	Liebling	Mullery	Schoen	Yarusso
Davnie	Hilstrom	Lien	Murphy, E.	Schultz	Youakim
Dehn, R.	Hornstein	Lillie	Murphy, M.	Selcer	

Those who voted in the negative were:

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

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

The Speaker resumed the Chair.

Kahn moved to amend H. F. No. 2844, the third engrossment, as amended, as follows:

Page 13, after line 35, insert:

**"Sec. 24. [97B.033] RULES AUTHORIZING OPEN SEASONS FOR ENDANGERED SPECIES PROHIBITED.**

The commissioner of natural resources shall not adopt rules authorizing open seasons for taking wild animals currently listed under the federal Endangered Species Act of 1973.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to rules adopted on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kahn amendment and the roll was called. There were 41 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Hornstein	Loeffler	Murphy, E.	Slocum
Anderson, C.	Dehn, R.	Hortman	Loon	Newton	Thissen
Bernardy	Fischer	Isaacson	Mahoney	Norton	Wagenius
Bly	Flanagan	Johnson, S.	Mariani	Pinto	Wills
Carlson	Freiberg	Kahn	Masin	Rosenthal	Yarusso
Clark	Halverson	Laine	Moran	Schultz	Youakim
Considine	Hausman	Liebling	Mullery	Selcer	

Those who voted in the negative were:

Albright	Drazkowski	Hilstrom	Lucero	Pelowski	Swedzinski
Anderson, M.	Ecklund	Hoppe	Lueck	Peppin	Theis
Anderson, P.	Erhardt	Howe	Mack	Persell	Torkelson
Anderson, S.	Erickson	Johnson, B.	Marquart	Petersburg	Uglem
Anzelc	Fabian	Johnson, C.	McDonald	Peterson	Urdahl
Backer	Fenton	Kelly	McNamara	Pierson	Vogel
Baker	Franson	Kiel	Metsa	Poppe	Ward
Barrett	Garofalo	Knoblach	Miller	Quam	Whelan
Bennett	Green	Koznick	Murphy, M.	Rarick	Zerwas
Christensen	Gruenhagen	Kresha	Nash	Runbeck	Spk. Daudt
Cornish	Hackbarth	Lesch	Nelson	Sanders	
Daniels	Hamilton	Lien	Newberger	Schoen	
Davids	Hansen	Lillie	Nornes	Scott	
Dean, M.	Heintzeman	Lohmer	O'Driscoll	Simonson	
Dettmer	Hertaus	Loonan	O'Neill	Smith	

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

H. F. No. 2844, A bill for an act relating to natural resources; modifying off-road vehicle provisions; providing for David Dill memorial trail; modifying disposition of certain receipts; modifying report requirements; modifying game and fish penalty and enforcement provisions; modifying fees and requirements to take game and fish; modifying commissioner's duties; providing for elk management; requiring rulemaking; providing criminal penalties; appropriating money; amending Minnesota Statutes 2014, sections 3.7371, by adding a subdivision; 84.798, subdivision 2; 84.8035; 85.015, subdivision 13; 97A.045, subdivision 7; 97A.055, subdivision 4; 97A.075, subdivision 1; 97A.201, subdivision 2, by adding a subdivision; 97A.301, subdivision 1; 97A.338; 97A.405, subdivision 2; 97A.420, subdivision 1; 97A.421, subdivision 2a; 97A.451, subdivision 6; 97A.473, subdivisions 3, 5, 5a; 97A.474, subdivision 3; 97A.475, subdivisions 2, 3; 97B.035, subdivision 1; 97B.071; 97B.086; 97B.305; 97B.516; 97B.731, subdivision 3; 97B.811, subdivision 4a; 97C.401, subdivision 2; Minnesota Statutes 2015 Supplement, sections 97B.041; 97B.063; proposing coding for new law in Minnesota Statutes, chapters 97B; 97C; repealing Minnesota Statutes 2014, section 97A.075, subdivision 5.

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 85 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Albright	Considine	Fabian	Howe	Lillie	Metsa
Anderson, C.	Cornish	Fenton	Isaacson	Lohmer	Miller
Anderson, M.	Daniels	Garofalo	Johnson, B.	Loon	Murphy, M.
Anderson, S.	Davids	Green	Johnson, C.	Loonan	Nash
Anzelc	Dean, M.	Gruenhagen	Kelly	Lucero	Newberger
Backer	Dettmer	Hackbarth	Kiel	Lueck	Nornes
Baker	Drazkowski	Hamilton	Knoblach	Mack	O'Driscoll
Barrett	Ecklund	Heintzeman	Koznick	Marquart	O'Neill
Bennett	Erhardt	Hertaus	Kresha	McDonald	Pelowski
Christensen	Erickson	Hoppe	Lien	McNamara	Peppin

Persell	Pugh	Sanders	Swedzinski	Vogel
Petersburg	Quam	Schoen	Theis	Whelan
Peterson	Rarick	Scott	Torkelson	Wills
Pierson	Rosenthal	Selcer	Uglem	Zerwas
Poppe	Runbeck	Smith	Urdahl	Spk. Daudt

Those who voted in the negative were:

Allen	Dehn, R.	Hausman	Lesch	Mullery	Simonson
Anderson, P.	Fischer	Hilstrom	Liebling	Murphy, E.	Slocum
Bernardy	Flanagan	Hornstein	Loeffler	Nelson	Thissen
Bly	Franson	Hortman	Mahoney	Newton	Wagenius
Carlson	Freiberg	Johnson, S.	Mariani	Norton	Ward
Clark	Halverson	Kahn	Masin	Pinto	Yarusso
Davnie	Hansen	Laine	Moran	Schultz	Youakim

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

#### REPORT 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 Wednesday, May 18, 2016 and established a prefiling requirement for amendments offered to the following bills:

H. F. Nos. 3208, 3209, 3353 and 3548; and S. F. Nos. 2857 and 2881.

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

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 2474, 2665, 2757, 2860, 3001, 3147 and 3481.

JOANNE M. ZOFF, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 2474, A bill for an act relating to human services; positive supports; legislatively approving Minnesota Rules, chapter 9544; making technical changes; amending Minnesota Statutes 2014, sections 245.8251, subdivision 2, by adding a subdivision; 252.275, subdivision 1a; 253B.03, subdivisions 1, 6a; 256B.0659, subdivision 3;

256B.0951, subdivision 5; 256B.097, subdivision 4; 256B.77, subdivision 17; 626.5572, subdivision 2; Minnesota Statutes 2015 Supplement, section 626.556, subdivision 2; repealing Minnesota Statutes 2014, section 245.825, subdivisions 1, 1b.

The bill was read for the first time.

Pierson moved that S. F. No. 2474 and H. F. No. 3170, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2665, A bill for an act relating to real estate appraisers; regulating appraiser fees, investigation costs, and appraisal management companies; amending Minnesota Statutes 2014, sections 45.027, subdivision 1; 82C.02, subdivisions 3, 4, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 82C.

The bill was read for the first time.

O'Driscoll moved that S. F. No. 2665 and H. F. No. 2991, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2757, A bill for an act relating to game and fish; providing for northern pike management; requiring rulemaking; requiring a report; amending Minnesota Statutes 2014, section 97C.401, subdivision 2.

The bill was read for the first time.

Hackbarth moved that S. F. No. 2757 and H. F. No. 2843, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2860, A bill for an act relating to energy conservation; providing an exception to heating restrictions in commercial parking facilities; amending Minnesota Statutes 2014, section 216C.20, subdivision 3.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

S. F. No. 3001, A bill for an act relating to economic development; making various policy changes; modifying agency programs; modifying the commissioner's promotional authority; modifying workforce development outcomes; creating the Workforce Development Board; amending Minnesota Statutes 2014, sections 116J.035, subdivision 1a; 116J.8738, subdivision 2; 116J.8747, by adding a subdivision; 116J.8748, subdivision 4; Minnesota Statutes 2015 Supplement, sections 116J.8738, subdivision 3; 116L.98, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 2014, section 116L.665.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

S. F. No. 3147, A bill for an act relating to labor and industry; making housekeeping changes; modifying employment agents, construction codes and licensing, and combative sports; prohibiting the commissioner from adopting rules requiring certain fire-extinguishing equipment; amending Minnesota Statutes 2014, sections 184.38, subdivision 17; 326B.095; 326B.133, subdivision 8; 326B.164, subdivisions 1, 3, 6, 7; 326B.439; 326B.49,

subdivision 1; 326B.91, subdivisions 3, 6; 326B.92, subdivision 2; 326B.921, subdivisions 1, 2, 3, 4, 6, 7; 326B.922; 326B.925, subdivision 1; Minnesota Statutes 2015 Supplement, sections 181.06, subdivision 2; 184.41; 326B.13, subdivision 8; 326B.46, subdivision 2; 326B.921, subdivision 5; 341.321; proposing coding for new law in Minnesota Statutes, chapter 175; repealing Minnesota Rules, parts 5200.0780; 5226.0100; 5226.0200; 5226.0300.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

S. F. No. 3481, A bill for an act relating to criminal justice; modifying the thresholds for certain controlled substance crimes; creating new offenses specific to the possession of marijuana plants; creating a new offense for possessing trace amounts of certain controlled substances; eliminating mandatory minimum sentences for lower level controlled substance crimes; establishing a new account in the state treasury; appropriating money while reducing other appropriations; amending Minnesota Statutes 2014, sections 152.01, subdivision 16a, by adding a subdivision; 152.021; 152.022; 152.023; 152.024; 152.025; 152.026; 152.092; 152.18, subdivision 1; 244.0513, subdivisions 2, 5; 244.09, subdivision 6; 388.051; 609.11, subdivisions 5a, 8; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 2014, section 244.0513, subdivision 6.

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

## MOTIONS AND RESOLUTIONS

Metsa moved that his name be stricken as an author on H. F. No. 430. The motion prevailed.

Kahn moved that the name of Davnie be added as an author on H. F. No. 2308. The motion prevailed.

Mariani moved that his name be stricken as an author on H. F. No. 2704. The motion prevailed.

Scott moved that the name of Slocum be added as an author on H. F. No. 2704. The motion prevailed.

Ecklund moved that his name be stricken as an author on H. F. No. 3208. The motion prevailed.

Metsa moved that his name be stricken as an author on H. F. No. 3208. The motion prevailed.

Baker moved that the name of Howe be added as an author on H. F. No. 3251. The motion prevailed.

Murphy, E., moved that the name of Masin be added as an author on H. F. No. 3288. The motion prevailed.

Clark moved that the name of Allen be added as an author on H. F. No. 3324. The motion prevailed.

Lohmer moved that her name be stricken as an author on H. F. No. 3960. The motion prevailed.

Davids moved that his name be stricken as an author on H. F. No. 4007. The motion prevailed.

ADJOURNMENT

Peppin moved that when the House adjourns today it adjourn until 9:00 a.m., Tuesday, May 17, 2016. The motion prevailed.

Peppin moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Tuesday, May 17, 2016.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

