

STATE OF MINNESOTA

NINETY-SECOND SESSION — 2021

 THIRTY-FIFTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 9, 2021

The House of Representatives convened at 12:15 p.m. and was called to order by Andrew Carlson, Speaker pro tempore.

Prayer was offered by the Reverend Neal Cannon, Woodlake Lutheran Church, Richfield, 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:

Acomb	Demuth	Hanson, J.	Liebling	Neu Brindley	Schultz
Agbaje	Dettmer	Hassan	Lillie	Noor	Scott
Akland	Drazkowski	Hausman	Lippert	Novotny	Stephenson
Anderson	Ecklund	Heinrich	Lislegard	O'Driscoll	Sundin
Backer	Edelson	Heintzeman	Long	Olson, B.	Swedzinski
Bahner	Elkins	Her	Lucero	Olson, L.	Theis
Bahr	Erickson	Hertaus	Lueck	O'Neill	Thompson
Baker	Feist	Hollins	Mariani	Pelowski	Torkelson
Becker-Finn	Fischer	Hornstein	Marquart	Petersburg	Urdahl
Bennett	Franke	Howard	Masin	Pfarr	Vang
Berg	Franson	Huot	McDonald	Pierson	Wazlawik
Bernardy	Frazier	Igo	Mekeland	Pinto	West
Bierman	Frederick	Johnson	Miller	Poston	Winkler
Bliss	Freiberg	Jordan	Moller	Pryor	Wolgamott
Boe	Garofalo	Jurgens	Moran	Quam	Xiong, J.
Boldon	Gomez	Keeler	Morrison	Raleigh	Xiong, T.
Burkel	Green	Kiel	Mortensen	Rasmusson	Youakim
Carlson	Greenman	Klevorn	Mueller	Reyer	Spk. Hortman
Christensen	Grossell	Koegel	Munson	Richardson	
Daniels	Gruenhagen	Kotyza-Witthuhn	Murphy	Robbins	
Daudt	Haley	Koznick	Nash	Sandell	
Davids	Hamilton	Kresha	Nelson, M.	Sandstede	
Davnie	Hansen, R.	Lee	Nelson, N.	Schomacker	

A quorum was present.

Albright was excused.

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

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 707, A bill for an act relating to public safety; modifying and clarifying criminal sexual conduct provisions; creating a new crime of sexual extortion; amending Minnesota Statutes 2020, sections 609.2325; 609.341, subdivisions 3, 7, 11, 12, 14, 15, by adding subdivisions; 609.342; 609.343; 609.344; 609.345; 609.3451; 609.3455; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 2020, sections 609.293, subdivisions 1, 5; 609.34; 609.36.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 752, A bill for an act relating to state government; establishing a budget for military and veterans affairs; making policy and technical changes to various military and veterans affairs provisions including provisions related to the adjutant general, housing, veterans benefits, and veterans services; allowing deferred prosecutions for former and current military members in certain circumstances; classifying data; making changes to the military code; modifying certain requirements and qualifications; making jurisdictional and appellate changes; providing punishable offenses under the military code; providing penalties; appropriating money; amending Minnesota Statutes 2020, sections 10.578; 15.057; 190.07; 192.67; 192A.02, subdivision 2; 192A.021; 192A.111; 192A.15, subdivisions 1, 2; 192A.155, subdivision 2; 192A.20; 192A.235, subdivision 3; 192A.343, subdivision 3; 192A.353, subdivision 2; 192A.371; 192A.384; 192A.56; 192A.612; 192A.62; 197.791, subdivisions 4, 5, 5a, 5b; 198.006; 198.03, subdivision 2; 606.06; proposing coding for new law in Minnesota Statutes, chapters 192A; 196; 609; repealing Minnesota Statutes 2020, section 192A.385.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Bernardy from the Committee on Higher Education Finance and Policy to which was referred:

H. F. No. 993, A bill for an act relating to higher education; providing funding and related policy changes for the Office of Higher Education, Minnesota State Colleges and Universities, the University of Minnesota, and the Mayo Clinic; creating and modifying certain student aid programs; creating a direct admissions pilot program; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 136A.121, subdivisions 6, 9; 136A.125, subdivisions 2, 4; 136A.126, subdivisions 1, 4; 136A.1275; 136A.246, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
APPROPRIATIONS

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **MINNESOTA OFFICE OF HIGHER EDUCATION**

<u>Subdivision 1. Total Appropriation</u>	<u>\$275,338,000</u>	<u>\$275,198,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

<u>Subd. 2. State Grants</u>	<u>210,587,000</u>	<u>210,587,000</u>
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If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

<u>Subd. 3. Child Care Grants</u>	<u>6,694,000</u>	<u>6,694,000</u>
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<u>Subd. 4. State Work-Study</u>	<u>14,502,000</u>	<u>14,502,000</u>
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<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>8,500,000</u>	<u>8,500,000</u>
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If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

<u>Subd. 6. Safety Officer's Survivors</u>	<u>100,000</u>	<u>100,000</u>
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This appropriation is to provide educational benefits under Minnesota Statutes, section 299A.45, to eligible dependent children and to the spouses of public safety officers killed in the line of duty.

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Subd. 7. American Indian Scholarships3,500,0003,500,000

The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the city of Bemidji to assist students with the scholarships under Minnesota Statutes, section 136A.126, and with other information about financial aid for which the students may be eligible. Bemidji State University must provide office space at no cost to the Office of Higher Education for purposes of administering the American Indian scholarship program under Minnesota Statutes, section 136A.126. This appropriation includes funding to administer the American Indian scholarship program.

Subd. 8. Tribal College Grants150,000150,000

For tribal college assistance grants under Minnesota Statutes, section 136A.1796.

Subd. 9. Intervention for College Attendance Program Grants1,500,0001,500,000

For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

The commissioner may use no more than three percent of this appropriation to administer the intervention for college attendance program grants.

Subd. 10. Student-Parent Information122,000122,000**Subd. 11. Get Ready!**180,000180,000**Subd. 12. Minnesota Education Equity Partnership**45,00045,000**Subd. 13. Midwest Higher Education Compact**115,000115,000**Subd. 14. United Family Medicine Residency Program**501,000501,000

For a grant to United Family Medicine residency program. This appropriation shall be used to support up to 21 resident physicians each year in family practice at United Family Medicine residency programs and shall prepare doctors to practice family care medicine in underserved rural and urban areas of the state. It is intended that this program will improve health care in underserved communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a cost-effective manner.

Subd. 15. MnLINK Gateway and Minitex5,905,0005,905,000**Subd. 16. Statewide Longitudinal Education Data System**1,782,0001,782,000

Subd. 17. Hennepin Healthcare645,000645,000

For transfer to Hennepin Healthcare for graduate family medical education programs at Hennepin Healthcare.

Subd. 18. College Possible500,000500,000

(a) This appropriation is for immediate transfer to College Possible to support programs of college admission and college graduation for low-income students through an intensive curriculum of coaching and support at both the high school and postsecondary level.

(b) This appropriation must, to the extent possible, be proportionately allocated between students from greater Minnesota and students in the seven-county metropolitan area.

(c) This appropriation must be used by College Possible only for programs supporting students who are residents of Minnesota and attending colleges or universities within Minnesota.

(d) By February 1 of each year, College Possible must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over higher education and E-12 education on activities funded by this appropriation. The report must include, but is not limited to, information about the expansion of College Possible in Minnesota, the number of College Possible coaches hired, the expansion within existing partner high schools, the expansion of high school partnerships, the number of high school and college students served, the total hours of community service by high school and college students, and a list of communities and organizations benefiting from student service hours.

Subd. 19. Spinal Cord Injury and Traumatic Brain Injury Research Grant Program3,000,0003,000,000

For transfer to the spinal cord and traumatic brain injury grant account in the special revenue fund under Minnesota Statutes, section 136A.901, subdivision 1.

The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the grant program.

Subd. 20. Summer Academic Enrichment Program750,000750,000

For summer academic enrichment grants under Minnesota Statutes, section 136A.091.

The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

Subd. 21. Dual Training Competency Grants; Office of Higher Education

2,000,000

2,000,000

For transfer to the Dual Training Competency Grants account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10.

Subd. 22. Campus Sexual Assault Reporting

25,000

25,000

For the sexual assault reporting required under Minnesota Statutes, section 135A.15.

Subd. 23. Campus Sexual Violence Prevention and Response Coordinator

150,000

150,000

For the Office of Higher Education to staff a campus sexual violence prevention and response coordinator to serve as a statewide resource providing professional development and guidance on best practices for postsecondary institutions. \$50,000 each year is for administrative funding to conduct trainings and provide materials to postsecondary institutions.

Subd. 24. Emergency Assistance for Postsecondary Students

825,000

825,000

(a) This appropriation is for the Office of Higher Education to allocate grant funds on a matching basis to eligible institutions as defined under Minnesota Statutes, section 136A.103, located in Minnesota with a demonstrable homeless student population.

(b) This appropriation shall be used to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Institutions shall minimize any negative impact on student financial aid resulting from the receipt of emergency funds.

(c) The commissioner shall determine the application process and the grant amounts. The Office of Higher Education shall partner with interested postsecondary institutions, other state agencies, and student groups to establish the programs.

Subd. 25. Grants to Teacher Candidates in Shortage Areas

500,000

500,000

For grants to teacher candidates in shortage areas under Minnesota Statutes, section 136A.1275.

The commissioner may use no more than three percent of the appropriation for administration of the program.

<u>Subd. 26. Grants to Underrepresented Teacher Candidates</u>	<u>2,293,000</u>	<u>2,628,000</u>
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For grants to underrepresented teacher candidates under Minnesota Statutes, section 136A.1274.

The commissioner may use no more than three percent of the appropriation for administration of the program.

<u>Subd. 27. Teacher Shortage Loan Forgiveness</u>	<u>200,000</u>	<u>200,000</u>
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For transfer to the teacher shortage loan forgiveness repayment account in the special revenue fund under Minnesota Statutes, section 136A.1791, subdivision 8.

The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the program.

<u>Subd. 28. Large Animal Veterinarian Loan Forgiveness Program</u>	<u>375,000</u>	<u>375,000</u>
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For transfer to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2.

<u>Subd. 29. Agricultural Educators Loan Forgiveness</u>	<u>50,000</u>	<u>50,000</u>
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For transfer to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2.

<u>Subd. 30. Aviation Degree Loan Forgiveness Program</u>	<u>25,000</u>	<u>25,000</u>
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For transfer to the aviation degree loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1789, subdivision 2.

<u>Subd. 31. Grants for Students with Intellectual and Developmental Disabilities</u>	<u>200,000</u>	<u>200,000</u>
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For grants for students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.

<u>Subd. 32. Loan Repayment Assistance Program</u>	<u>25,000</u>	<u>25,000</u>
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For a grant to the Loan Repayment Assistance Program of Minnesota to provide education debt relief to attorneys with full-time employment providing legal advice or representation to low-income clients or support services for this work.

Subd. 33. Minnesota Independence College and Community1,000,0001,000,000

For a grant to Minnesota Independence College and Community for need-based scholarships and tuition reduction. Beginning with students first enrolled in the fall of 2019, eligibility is limited to resident students as defined in Minnesota Statutes, section 136A.101, subdivision 8.

Subd. 34. Student Loan Debt Counseling200,000200,000

For student loan debt counseling under Minnesota Statutes, section 136A.1788.

The Office of Higher Education may use no more than three percent of the appropriation to administer the student loan debt counseling program.

Subd. 35. Hunger-Free Campus Grants275,000223,000

(a) For grants to Minnesota postsecondary institutions to meet and maintain the criteria in Minnesota Statutes, section 136F.245, to address food insecurity on campus.

(b) Awards must be based on head count for the most recently completed academic year.

(c) Institutions must provide matching funds to receive the hunger-free campus grant.

(d) The statewide student associations designated in Minnesota Statutes, section 136F.245, shall review the designated grant applications and provide final approval for grant disbursements from the Office of Higher Education to the appropriate campuses.

Subd. 36. Concurrent Enrollment Grants340,000340,000

For concurrent enrollment grants under Minnesota Statutes, section 135A.102.

Subd. 37. Addiction Medicine Graduate Medical Education Fellowship275,000275,000

(a) This appropriation is for transfer to the Hennepin County Medical Center to support up to four physicians enrolled in an addiction medicine fellowship program. This is a onetime appropriation.

(b) This appropriation shall be used:

(1) to train fellows in: (i) diagnostic interviewing; (ii) motivational interviewing; (iii) addiction counseling; (iv) recognition and care of common acute withdrawal syndromes and complications; (v)

pharmacotherapies of addictive disorders; (vi) epidemiology and pathophysiology of addiction; (vii) identification and treatment of addictive disorders in special populations; (viii) secondary interventions; (ix) the use of screening and diagnostic instruments; (x) inpatient care; and (xi) working within a multidisciplinary team; and

(2) to prepare fellows to practice addiction medicine in rural and underserved areas of the state.

<u>Subd. 38. Aspiring Teachers of Color Scholarships</u>	<u>2,000,000</u>	<u>2,500,000</u>
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(a) This appropriation is for the aspiring teachers of color scholarship program under Minnesota Statutes, section 136A.1273.

(b) The commissioner of the Office of Higher Education may use no more than three percent of the appropriation to administer the aspiring teachers of color scholarship program.

(c) This is a onetime appropriation. The base for this appropriation is \$0 in fiscal year 2024 and later.

<u>Subd. 39. Direct Admissions</u>	<u>925,000</u>	<u>75,000</u>
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For the direct admissions pilot program in article 2, section 39.

<u>Subd. 40. Agency Administration</u>	<u>4,577,000</u>	<u>4,504,000</u>
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Subd. 41. Balances Forward

A balance in the first year under this section does not cancel, but is available for the second year.

Subd. 42. Transfers

The commissioner of the Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the get ready appropriation, the intervention for college attendance appropriation, the student-parent information appropriation, the summer academic enrichment program appropriation, and the public safety officers' survivors appropriation. Transfers from the hunger-free campus appropriation may only be made to the emergency assistance for postsecondary students appropriation. Transfers from the child care or state work-study appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over higher education finance.

Sec. 3. **BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES**

Subdivision 1. **Total Appropriation**

\$786,284,000

\$807,384,000

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

Subd. 2. **Central Office and Shared Services Unit**

33,074,000

33,074,000

For the Office of the Chancellor and the Shared Services Division.

Subd. 3. **Operations and Maintenance**

749,095,000

770,195,000

(a) For the 2021-2022 and 2022-2023 academic years, the tuition rates for undergraduates at colleges and universities must not exceed the 2020-2021 academic year rates.

(b) \$3,000,000 in fiscal year 2022 and \$3,000,000 in fiscal year 2023 are to provide supplemental aid for operations and maintenance to the president of each two-year institution in the system with at least one campus that is not located in a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4. The board shall transfer \$100,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus, provided that no institution may receive more than \$300,000 in total supplemental aid each year.

(c) The Board of Trustees is requested to help Minnesota close the attainment gap by funding activities which improve retention and completion for students of color.

(d) \$4,000,000 in fiscal year 2022 and \$4,000,000 in fiscal year 2023 are for workforce development scholarships under Minnesota Statutes, section 136F.38.

(e) \$300,000 in fiscal year 2022 and \$300,000 in fiscal year 2023 are for transfer to the Cook County Higher Education Board to provide educational programming, workforce development, and academic support services to remote regions in northeastern Minnesota. The Cook County Higher Education Board shall continue to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students.

(f) This appropriation includes \$40,000 in fiscal year 2022 and \$40,000 in fiscal year 2023 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

(g) This appropriation includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023 for upgrading the Integrated Statewide Record System.

(h) This appropriation includes \$1,250,000 in fiscal year 2022 and \$1,250,000 in fiscal year 2023 to support students in meeting critical needs, including providing online mental health resources and an online information hub to connect students with state and local resources that address basic needs, including housing and food insecurity.

(i) This appropriation includes \$500,000 in fiscal year 2022 and \$500,000 in fiscal year 2023 to implement the Z-Degree program under Minnesota Statutes, section 136F.305. This is a onetime appropriation.

(j) This appropriation includes \$400,000 in fiscal year 2022 and \$0 in fiscal year 2023 for the career and technical educator pilot project under article 2, section 40. Of this amount, \$250,000 is for transfer to Winona State University and \$150,000 is for transfer to Minnesota State College Southeast for the purposes listed in article 2, section 40. Notwithstanding Minnesota Statutes, section 16A.28, unencumbered balances under this section do not cancel until July 1, 2025.

(k) \$100,000 in fiscal year 2022 and \$100,000 in fiscal year 2023 are for the mental health services for students required under Minnesota Statutes, section 136F.20, subdivision 3.

(l) The total operations and maintenance base for fiscal year 2024 and later is \$769,695,000.

Subd. 4. <u>Learning Network of Minnesota</u>	<u>4,115,000</u>	<u>4,115,000</u>
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Sec. 4. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. <u>Total Appropriation</u>	<u>\$688,313,000</u>	<u>\$700,563,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>686,156,000</u>	<u>698,406,000</u>
Health Care Access	<u>2,157,000</u>	<u>2,157,000</u>

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

Subd. 2. <u>Operations and Maintenance</u>	<u>616,718,000</u>	<u>628,968,000</u>
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(a) \$15,000,000 in fiscal year 2022 and \$15,000,000 in fiscal year 2023 are to: (1) increase the medical school's research capacity; (2) improve the medical school's ranking in National Institutes of Health funding; (3) ensure the medical school's national

prominence by attracting and retaining world-class faculty, staff, and students; (4) invest in physician training programs in rural and underserved communities; and (5) translate the medical school's research discoveries into new treatments and cures to improve the health of Minnesotans.

(b) \$7,800,000 in fiscal year 2022 and \$7,800,000 in fiscal year 2023 are for health training restoration. This appropriation must be used to support all of the following: (1) faculty physicians who teach at eight residency program sites, including medical resident and student training programs in the Department of Family Medicine; (2) the Mobile Dental Clinic; and (3) expansion of geriatric education and family programs.

(c) \$4,000,000 in fiscal year 2022 and \$4,000,000 in fiscal year 2023 are for the Minnesota Discovery, Research, and InnoVation Economy funding program for cancer care research.

(d) \$500,000 in fiscal year 2022 and \$500,000 in fiscal year 2023 are for the University of Minnesota, Morris branch, to cover the costs of tuition waivers under Minnesota Statutes, section 137.16.

(e) \$150,000 in fiscal year 2022 and \$150,000 in fiscal year 2023 are for the advisory council on rare diseases under Minnesota Statutes, section 137.68. The base for this appropriation is \$0 in fiscal year 2024 and later.

(f) The total operations and maintenance base for fiscal year 2024 and later is \$628,818,000.

Subd. 3. Primary Care Education Initiatives

2,157,000

2,157,000

This appropriation is from the health care access fund.

Subd. 4. Special Appropriations

(a) Agriculture and Extension Service

42,922,000

42,922,000

For the Agricultural Experiment Station and the Minnesota Extension Service:

(1) the agricultural experiment stations and Minnesota Extension Service must convene agricultural advisory groups to focus research, education, and extension activities on producer needs and implement an outreach strategy that more effectively and rapidly transfers research results and best practices to producers throughout the state;

(2) this appropriation includes funding for research and outreach on the production of renewable energy from Minnesota biomass resources, including agronomic crops, plant and animal wastes,

and native plants or trees. The following areas should be prioritized and carried out in consultation with Minnesota producers, renewable energy, and bioenergy organizations:

(i) biofuel and other energy production from perennial crops, small grains, row crops, and forestry products in conjunction with the Natural Resources Research Institute (NRRI);

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

(3) this appropriation includes funding for the College of Food, Agricultural, and Natural Resources Sciences to establish and provide leadership for organic agronomic, horticultural, livestock, and food systems research, education, and outreach and for the purchase of state-of-the-art laboratory, planting, tilling, harvesting, and processing equipment necessary for this project;

(4) this appropriation includes funding for research efforts that demonstrate a renewed emphasis on the needs of the state's agriculture community. The following areas should be prioritized and carried out in consultation with Minnesota farm organizations:

(i) vegetable crop research with priority for extending the Minnesota vegetable growing season;

(ii) fertilizer and soil fertility research and development;

(iii) soil, groundwater, and surface water conservation practices and contaminant reduction research;

(iv) discovering and developing plant varieties that use nutrients more efficiently;

(v) breeding and development of turf seed and other biomass resources in all three Minnesota biomes;

(vi) development of new disease-resistant and pest-resistant varieties of turf and agronomic crops;

(vii) utilizing plant and livestock cells to treat and cure human diseases;

(viii) the development of dairy coproducts;

(ix) a rapid agricultural response fund for current or emerging animal, plant, and insect problems affecting production or food safety;

(x) crop pest and animal disease research;

(xi) developing animal agriculture that is capable of sustainably feeding the world;

(xii) consumer food safety education and outreach;

(xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and

(xiv) alternative bioenergy crops and cropping systems; and growing, harvesting, and transporting biomass plant material; and

(5) by February 1, 2023, the Board of Regents must submit a report to the legislative committees and divisions with jurisdiction over agriculture and higher education finance on the status and outcomes of research and initiatives funded in this paragraph.

(b) Health Sciences

9,204,000

9,204,000

\$346,000 each year is to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program. The program must prepare doctors to practice primary care medicine in rural areas of the state. The legislature intends this program to improve health care in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner. The remainder of this appropriation is for the rural physicians associates program; the Veterinary Diagnostic Laboratory; health sciences research; dental care; the Biomedical Engineering Center; and the collaborative partnership between the University of Minnesota and Mayo Clinic for regenerative medicine, research, clinical translation, and commercialization.

(c) College of Science and Engineering

1,140,000

1,140,000

For the geological survey and the talented youth mathematics program.

(d) System Special

8,181,000

8,181,000

For general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit.

\$3,000,000 in fiscal year 2022 and \$3,000,000 in fiscal year 2023 are for the Natural Resources Research Institute to invest in applied research for economic development.

The base for this appropriation is \$7,181,000 in fiscal year 2024 and later and, of this amount, \$2,000,000 per fiscal year is for the Natural Resources Research Institute to invest in applied research for economic development.

(e) University of Minnesota and Mayo Foundation Partnership7,991,0007,991,000

This appropriation is for the following activities:

(1) \$7,491,000 in fiscal year 2022 and \$7,491,000 in fiscal year 2023 are for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. An annual report on the expenditure of these funds must be submitted to the governor and the chairs of the legislative committees responsible for higher education finance by June 30 of each fiscal year.

(2) \$500,000 in fiscal year 2022 and \$500,000 in fiscal year 2023 are to award competitive grants to conduct research into the prevention, treatment, causes, and cures of Alzheimer's disease and other dementias.

Subd. 5. Academic Health Center

The appropriation for Academic Health Center funding under Minnesota Statutes, section 297F.10, is estimated to be \$22,250,000 each year.

Sec. 5. MAYO CLINIC**Subdivision 1. Total Appropriation****\$1,351,000****\$1,351,000**

The amounts that may be spent are specified in the following subdivisions.

Subd. 2. Medical School665,000665,000

The state must pay a capitation each year for each student who is a resident of Minnesota. The appropriation may be transferred between each year of the biennium to accommodate enrollment fluctuations. It is intended that during the biennium the Mayo Clinic use the capitation money to increase the number of doctors practicing in rural areas in need of doctors.

Subd. 3. Family Practice and Graduate Residency Program686,000686,000

The state must pay stipend support for up to 27 residents each year.

Sec. 6. CANCELLATIONS; FISCAL YEAR 2021.

(a) \$340,000 of the fiscal year 2021 general fund appropriation under Laws 2019, chapter 64, article 1, section 2, subdivisions 11, 25, and 26, is canceled.

(b) \$5,000,000 of the fiscal year 2021 general fund appropriation under Laws 2019, chapter 64, article 1, section 2, subdivision 2, is canceled.

(c) This section is effective the day following final enactment.

ARTICLE 2
HIGHER EDUCATION PROVISIONS

Section 1. [135A.102] CONCURRENT ENROLLMENT GRANTS.

Subdivision 1. Grants. (a) The Office of Higher Education must establish a competitive grant program for postsecondary institutions to expand concurrent enrollment opportunities. To the extent that there are qualified applicants, the commissioner of the Office of Higher Education shall distribute grant funds to ensure:

(1) eligible students throughout the state have access to concurrent enrollment programs; and

(2) preference for grants that expand programs is given to programs already at capacity.

(b) The commissioner may award grants under this section to postsecondary institutions for any of the following purposes:

(1) to develop new concurrent enrollment courses under section 124D.09, subdivision 10, that satisfy the elective standard for career and technical education;

(2) to expand the existing concurrent enrollment programs already offered by the postsecondary institution by:

(i) creating new sections within the same high school;

(ii) offering the existing course in new high schools; or

(iii) supporting the preparation, recruitment, and success of students who are underrepresented in concurrent enrollment classrooms;

(3) to create online graduate tracks specifically for high school teachers to receive the necessary credentials to teach concurrent enrollment courses in various content areas, as dictated by the Higher Learning Commission; or

(4) to supplement high school teacher tuition support for graduate courses not eligible for funding under the concurrent enrollment training program.

Subd. 2. Application. (a) The commissioner shall develop a grant application process. A grant applicant must:

(1) specify the purpose under subdivision 1, paragraph (b), for which the institution is applying;

(2) specify both program and student outcome goals;

(3) include student feedback in the development of new programs or the expansion of existing programs; and

(4) demonstrate a commitment to equitable access to concurrent enrollment coursework for all eligible high school students.

(b) A postsecondary institution applying for a grant under subdivision 1, paragraph (b), clause (3), must provide a 50 percent match for the grant funds.

Subd. 3. Report. By December 1 of each year, the office shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education regarding:

(1) the amount of funds granted under each clause of subdivision 1, paragraph (b);

(2) the courses developed by grant recipients and the number of students who enrolled in the courses under subdivision 1, paragraph (b), clause (1);

(3) the programs expanded and the number of students who enrolled in programs under subdivision 1, paragraph (b), clause (2);

(4) the graduate programs developed by postsecondary institutions and the number of high school teachers enrolled in these graduate courses under subdivision 1, paragraph (b), clause (3); and

(5) the number of teachers provided tuition support under subdivision 1, paragraph (b), clause (4).

Sec. 2. **[135A.144] TRANSCRIPT ACCESS.**

Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section.

(b) "Debt" means any money, obligation, claim, or sum, due or owed, or alleged to be due or owed, from a student that appears on the student account. Debt does not include the fee, if any, charged to all students for the actual costs of providing the transcripts.

(c) "School" means any public institution governed by the Board of Trustees of the Minnesota State Colleges and Universities, private postsecondary educational institution as defined under section 136A.62 or 136A.821, or public or private entity responsible for providing transcripts to current or former students of an educational institution. Institutions governed by the Board of Regents of the University of Minnesota are requested to comply with this section.

(d) "Transcript" means the statement of an individual's academic record, including official transcripts or the certified statement of an individual's academic record provided by a school, and unofficial transcripts or the uncertified statement of an individual's academic record provided by a school.

Subd. 2. **Prohibited practices.** A school must not:

(1) refuse to provide a transcript for a current or former student because the student owes a debt to the school if:

(i) the debt owed is less than \$500;

(ii) the student has entered into and, as determined by the institution, is in compliance with a payment plan with the school;

(iii) the transcript request is made by a prospective employer for the student; or

(iv) the school has sent the debt for repayment to the Department of Revenue or to a collection agency, as defined in section 332.31, subdivision 3, external to the institution; or

(2) charge an additional or a higher fee for obtaining a transcript or provide less favorable treatment of a transcript request because a student owes a debt to the originating school.

Subd. 3. **Institutional policy.** (a) Institutions that use transcript issuance as a tool for debt collection must have a policy accessible to students that outlines how the institution collects on debts owed to the institution.

(b) Institutions shall seek to use transcript issuance as a tool for debt collection for the fewest number of cases possible.

Sec. 3. **[136A.057] STUDENT TRANSFER REPORTING.**

(a) The commissioner must report on the office's website summary data on students who, within the most recent academic year, withdrew from enrollment without completing a degree or credential program at a public postsecondary institution in Minnesota. The summary data must include whether the students who withdrew transferred to another institution and the institutions transferred to and from.

(b) Summary data must be aggregated by postsecondary institution and degree or credential program. Summary data must be disaggregated by race, ethnicity, Pell eligibility, and age.

(c) The commissioner must post the initial data on the office's website on or before February 15, 2022, and must update the data at least annually thereafter.

Sec. 4. Minnesota Statutes 2020, section 136A.121, subdivision 2, is amended to read:

Subd. 2. **Eligibility for grants.** (a) An applicant is eligible to be considered for a grant, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections 136A.095 to 136A.131 if the office finds that the applicant:

(1) is a resident of the state of Minnesota;

(2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a student to an eligible college or technical college of choice as defined in sections 136A.095 to 136A.131;

(3) has met the financial need criteria established in Minnesota Rules;

(4) is not in default, as defined by the office, of any federal or state student educational loan; and

(5) is not more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement or, if the applicant is more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement, but is complying with a written payment agreement under section 518A.69 or order for arrearages.

(b) A student ~~who~~ is entitled to an additional semester or the equivalent of grant eligibility if the student withdraws from enrollment;

(1) for active military service after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c, ~~or who withdraws from enrollment;~~

(2) for a ~~major illness~~ serious health condition, while under the care of a medical professional, that substantially limits the student's ability to complete the term ~~is entitled to an additional semester or the equivalent of grant eligibility;~~ or

(3) while providing care that substantially limits the student's ability to complete the term to the student's spouse, child, or parent who has a serious health condition.

Sec. 5. Minnesota Statutes 2020, section 136A.121, subdivision 6, is amended to read:

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no

living and miscellaneous expense allowance is established in law, the allowance is equal to ~~106~~ 110 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.

(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

Sec. 6. Minnesota Statutes 2020, section 136A.121, subdivision 9, is amended to read:

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent for eight semesters or the equivalent, excluding (1) courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit, and (2) courses taken that qualify as developmental education or below college-level. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

Sec. 7. Minnesota Statutes 2020, section 136A.125, subdivision 2, is amended to read:

Subd. 2. **Eligible students.** (a) An applicant is eligible for a child care grant if the applicant:

- (1) is a resident of the state of Minnesota or the applicant's spouse is a resident of the state of Minnesota;
- (2) has a child 12 years of age or younger, or 14 years of age or younger who is disabled as defined in section 125A.02, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;
- (3) is income eligible as determined by the office's policies and rules, but is not a recipient of assistance from the Minnesota family investment program;
- (4) ~~either has not earned a baccalaureate degree and has been enrolled full time less than~~ received child care grant funds for a period of ten semesters or the equivalent, ~~or has earned a baccalaureate degree and has been enrolled full time less than ten semesters or the equivalent in a graduate or professional degree program;~~
- (5) is pursuing a nonsectarian program or course of study that applies to an undergraduate, graduate, or professional degree, diploma, or certificate;
- (6) is enrolled in at least ~~six credits~~ one credit in an undergraduate program or one credit in a graduate or professional program in an eligible institution; and
- (7) is in good academic standing and making satisfactory academic progress.

(b) A student ~~who is entitled to an additional semester or equivalent of grant eligibility and will be considered to be in continuing enrollment status upon return if the student withdraws from enrollment;~~

(1) for active military service after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c;~~or;~~

(2) for a ~~major illness~~ serious health condition, while under the care of a medical professional, that substantially limits the student's ability to complete the term ~~is entitled to an additional semester or the equivalent of grant eligibility and will be considered to be in continuing enrollment status upon return;~~ or

(3) while providing care that substantially limits the student's ability to complete the term to the student's spouse, child, or parent who has a serious health condition.

Sec. 8. Minnesota Statutes 2020, section 136A.125, subdivision 4, is amended to read:

Subd. 4. **Amount and length of grants.** ~~(a) The amount of a child care grant must be based on:~~

~~(1) the income of the applicant and the applicant's spouse;~~

~~(2) the number in the applicant's family, as defined by the office; and~~

~~(3) the number of eligible children in the applicant's family.~~

~~(b) (a) The maximum award to the applicant shall be \$3,000 equals the maximum federal Pell Grant for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine community market costs and review institutional requests for compensatory grant increases to ensure need and equal treatment. The office shall prepare a chart to show the amount of a grant that will be awarded per child based on the factors in this subdivision. The chart shall include a range of income and family size.~~

~~(c) (b) Applicants with family incomes expected family contributions at or below a percentage of the federal poverty level the qualifying expected family contribution for the federal Pell Grant, as determined by the commissioner, will qualify for the maximum award. The commissioner shall attempt to set the percentage at a level estimated to fully expend the available appropriation for child care grants. Applicants with family incomes expected family contributions exceeding that threshold will but less than 200 percent of the qualifying expected family contribution receive the maximum award minus ten percent of their income exceeding that threshold an amount proportional to their expected family contribution as determined by the commissioner. If the result is less than zero, the grant is zero.~~

~~(d) (c) The academic year award amount must be disbursed by academic term using the following formula:~~

~~(1) the academic year amount described in paragraph ~~(b) (a)~~ (a);~~

~~(2) divided by the number of terms in the academic year; and~~

~~(3) divided by 15 for undergraduate students and six for graduate and professional students; and~~

~~(4) (3) multiplied by the number of credits for which the student is enrolled that academic term, up to 15 credits for undergraduate students and six for graduate and professional students. applicable enrollment factor:~~

(i) 1.00 for undergraduate students enrolled in 12 or more semester credits or the equivalent;

(ii) 0.75 for undergraduate students enrolled in nine, ten, or 11 semester credits or the equivalent;

(iii) 0.50 for undergraduate students enrolled in six, seven, or eight semester credits or the equivalent; and

(iv) 0.25 for undergraduate students enrolled in at least one but less than six semester credits or the equivalent.

~~(e)~~ (d) Payments shall be made each academic term to the student or to the child care provider, as determined by the institution. Institutions may make payments more than once within the academic term.

Sec. 9. Minnesota Statutes 2020, section 136A.126, subdivision 1, is amended to read:

Subdivision 1. **Student eligibility.** The commissioner shall establish procedures for the distribution of scholarships to a Minnesota resident student as defined under section 136A.101, subdivision 8, who:

(1) is of one-fourth or more Indian ancestry or is an enrolled member or citizen of a federally recognized American Indian or Canadian First Nations tribe;

(2) has applied for other existing state and federal scholarship and grant programs;

(3) is meeting satisfactory academic progress as defined under section 136A.101, subdivision 10;

(4) is not in default, as defined by the office, of a federal or state student educational loan;

(5) if enrolled in an undergraduate program, is eligible or would be eligible to receive a federal Pell Grant or a state grant based on the federal needs analysis and is enrolled for nine semester credits per term or more, or the equivalent; and

(6) if enrolled in a graduate program, demonstrates a remaining financial need in the award amount calculation and is enrolled, per term, on a half-time basis or more as defined by the postsecondary institution.

Sec. 10. Minnesota Statutes 2020, section 136A.126, subdivision 4, is amended to read:

Subd. 4. **Award amount.** (a) Each student shall be awarded a scholarship based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the award must not exceed the applicant's cost of attendance, as defined in subdivision 3, after deducting:

(1) the expected family contribution as calculated by the federal need analysis;

(2) the amount of a federal Pell Grant award for which the applicant is eligible;

(3) the amount of the state grant;

(4) the federal Supplemental Educational Opportunity Grant;

(5) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts;

(6) the sum of all tribal scholarships;

(7) the amount of any other state and federal gift aid; and

(8) the amount of any private grants or scholarships.

(b) The award shall be paid directly to the postsecondary institution where the student receives federal financial aid.

(c) Awards are limited as follows:

(1) the maximum award for an undergraduate is \$4,000 per ~~award~~ academic year;

(2) the maximum award for a graduate student is \$6,000 per ~~award~~ academic year; and

(3) the minimum award for all students is \$100 per ~~award~~ academic year.

(d) Scholarships may not be given to any Indian student for more than three years of study for a two-year degree, certificate, or diploma program or five years of study for a four-year degree program at the undergraduate level and for more than five years at the graduate level. Students may acquire only one degree per level and one terminal graduate degree. Scholarships may not be given to any student for more than ten years including five years of undergraduate study and five years of graduate study.

(e) Scholarships may be given to an eligible student for four quarters, three semesters, or the equivalent during the course of a single fiscal year. In calculating the award amount, the office must use the same calculation it would for any other term.

Sec. 11. **[136A.1273] ASPIRING MINNESOTA TEACHERS OF COLOR SCHOLARSHIP PROGRAM.**

Subdivision 1. **Scholarship program established.** The commissioner must establish a scholarship program to support undergraduate and graduate students who are preparing to become teachers, have demonstrated financial need, and belong to racial or ethnic groups underrepresented in the state's teacher workforce.

Subd. 2. **Eligibility.** (a) To be eligible for a scholarship under this section, an applicant must:

(1) be admitted and enrolled in a teacher preparation program approved by the Professional Educator Licensing and Standards Board and be seeking initial licensure, or be enrolled in an eligible institution under section 136A.103 and be completing a two-year program specifically designed to prepare early childhood educators;

(2) affirm to the teacher preparation program or the Office of Higher Education that the applicant is a person of color or American Indian;

(3) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10; and

(4) demonstrate financial need based on criteria developed by the commissioner.

(b) An eligible applicant may receive a scholarship award more than once, but may receive a total of no more than \$25,000 in scholarship awards from the program.

Subd. 3. **Scholarship award amount.** (a) The commissioner shall establish the scholarship award amount based upon the anticipated number of eligible applicants and the funds available for the program. The established award amount is subject to the requirements of paragraphs (b) through (e) of this subdivision. If the funds available for the program are insufficient to make full awards to all eligible applicants, the commissioner must reduce the established scholarship award amount.

(b) The maximum award amount is \$10,000 per year for full-time study prior to student teaching. For undergraduate students, full-time study means enrollment in a minimum of 12 or more credits per term. For graduate students, full-time study means enrollment that the institution deems sufficient to confer full-time graduate student status.

(c) If an eligible applicant is enrolled in a program for one term during the academic year, the maximum award amount is \$5,000. If an eligible applicant is enrolled part time, the award amount must be prorated on a per-credit basis.

(d) Subject to the funds available for the program, and subject to the limitation in paragraph (e), the minimum award amount established under this section for full-time study must be no less than \$1,000 per year.

(e) An eligible applicant's individual award amount must not exceed the applicant's cost of attendance after deducting: (1) the sum of all state or federal grants and gift aid received, including a Pell Grant and state grant; (2) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts; and (3) the amount of any private grants or scholarships.

(f) Established award amounts are not rulemaking for purposes of chapter 14 or section 14.386.

Subd. 4. **Administration.** (a) The commissioner must establish an application process for individual students and institutions on behalf of all eligible students at the institution and other guidelines for implementing the scholarship program.

(b) The commissioner must give equal consideration to all eligible applicants regardless of the order the application was received before the application deadline.

(c) A scholarship award must be paid to the eligible applicant's teacher preparation institution on behalf of the eligible applicant. Awards may be paid only when the institution has confirmed to the commissioner the applicant's name, racial or ethnic identity, gender, licensure area sought, and enrollment status.

Subd. 5. **Report.** By July 15 of each year, the commissioner must submit an interim report on the scholarship program based on available data to the legislative committees with jurisdiction over higher education finance and policy. By December 15 of each year, the commissioner must submit a full report on the details of the scholarship program for the previous fiscal year to the legislative committees with jurisdiction over higher education finance and policy. The reports must also be made available on the Office of Higher Education's website. The reports must include the following information:

(1) the number of applicants and the number of award recipients, each broken down by postsecondary institution with ten or more recipients;

(2) the total number of awards, the total dollar amount of all awards, and the average award amount; and

(3) summary data on the racial or ethnic identity, gender, licensure area sought, and enrollment status of all applicants and award recipients.

EFFECTIVE DATE. This section is effective July 1, 2021, and initial scholarships must be awarded by November 1, 2021.

Sec. 12. **[136A.1274] UNDERREPRESENTED TEACHER CANDIDATE GRANTS.**

Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students who belong to an underrepresented racial or ethnic group.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate must:

(1) be enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program at a higher education institution that requires at least 12 weeks of student teaching in order to be recommended for any Tier 3 teaching license;

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10; and

(4) belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce.

Subd. 3. **Administration.** (a) The commissioner must establish an application process and other guidelines for implementing this program. The commissioner must notify grant recipients of their award amounts by the following dates:

(1) for fall student teaching placements, recipients must be notified by August 1;

(2) for spring student teaching placements, recipients must be notified by December 1; and

(3) for summer student teaching placements, recipients must be notified by May 1.

These notification deadlines do not apply in cases where grants are awarded to teacher candidates who applied after application deadlines and funds remained after the initial round of grants were awarded.

(b) The commissioner must determine each academic year the stipend amount up to \$7,500 based on the amount of available funding, the number of eligible applicants, and the financial need of the applicants.

(c) The commissioner must give equal consideration to all applicants regardless of the order the application was received before the application deadline.

Subd. 4. **Reporting.** (a) By July 15 of each year, the commissioner must submit a report on the details of the program under this section for the previous fiscal year to the legislative committees with jurisdiction over higher education finance and policy. The report must include the following information:

(1) the extent of racial or ethnic underrepresentation in the teacher workforce statewide and broken down by economic development region;

(2) the number of eligible applicants and the number of teacher candidates receiving an award, each broken down by postsecondary institution; and

(3) the total number of awards, the total dollar amount of all awards, and the average award amount.

(b) Within 60 days after each round of award notifications required under subdivision 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website an interim report with data on the most recent round of grant awards. The report must include the same information required to be included in the report under paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2021, except that the commissioner may delay notification to student teachers receiving grants for the fall 2021 term until August 15, 2021.

Sec. 13. Minnesota Statutes 2020, section 136A.1275, is amended to read:

136A.1275 TEACHER CANDIDATE GRANTS IN SHORTAGE AREAS.

Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students ~~enrolled in a Professional Educator Licensing and Standards Board approved teacher preparation program~~ who intend to teach in a shortage area after graduating and receiving their teaching license ~~or belong to an underrepresented racial or ethnic group.~~

(b) "Shortage area" means a license field or economic development region within Minnesota defined as a shortage area by the Professional Educator Licensing and Standards Board in coordination with the commissioner using data collected for the teacher supply and demand report under section 122A.091, subdivision 5.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate must:

(1) be enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program at a higher education institution that requires at least 12 weeks of student teaching in order to be recommended for any Tier 3 teaching license;

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10; and

(4) intend to teach in a shortage area ~~or belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce.~~ Intent can be documented based on the teacher license field the student is pursuing or a statement of intent to teach in an economic development region defined as a shortage area in the year the student receives a grant.

Subd. 3. ~~Administration; repayment.~~ (a) The commissioner must establish an application process and other guidelines for implementing this program. The commissioner must notify grant recipients of their award amounts by the following dates:

(1) for fall student teaching placements, recipients must be notified by August 1;

(2) for spring student teaching placements, recipients must be notified by December 1; and

(3) for summer student teaching placements, recipients must be notified by May 1.

These notification deadlines do not apply in cases where grants are awarded to teacher candidates who applied after application deadlines and funds remained after the initial round of grants were awarded.

(b) The commissioner must determine each academic year the stipend amount up to \$7,500 based on the amount of available funding, the number of eligible applicants, and the financial need of the applicants.

~~(c) The percentage of the total award funds available at the beginning of the fiscal year reserved for teacher candidates who identify as belonging to a racial or ethnic group underrepresented in the Minnesota teacher workforce must be equal to or greater than the total percentage of students of racial or ethnic groups underrepresented in the Minnesota teacher workforce as measured under section 120B.35, subdivision 3. If this percentage cannot be met because of a lack of qualifying candidates, the remaining amount may be awarded to teacher candidates who intend to teach in a shortage area.~~

(c) The commissioner must give equal consideration to all applicants regardless of the order the application was received before the application deadline.

Subd. 4. **Reporting.** (a) By July 15 of each year, the commissioner must submit a report on the details of the program under this section for the previous fiscal year to the legislative committees with jurisdiction over higher education finance and policy. The report must include the following information:

(1) the licensure shortage areas giving rise to award eligibility, organized by economic development region;

(2) the number of eligible applicants and the number of student teachers receiving an award, each broken down by postsecondary institution; and

(3) the total number of awards, the total dollar amount of all awards, and the average award amount.

(b) Within 60 days after each round of award notifications required under subdivision 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website an interim report with data on the most recent round of grant awards. The report must include the same information required to be included in the report under paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2021, except that the commissioner may delay notification to student teachers receiving grants for the fall 2021 term until August 15, 2021.

Sec. 14. Minnesota Statutes 2020, section 136A.1704, is amended to read:

136A.1704 STUDENT LOAN REFINANCING.

The office may refinance student and parent loans as provided by this section and on other terms and conditions the office prescribes. The office may establish credit requirements for borrowers and determine what types of student and parent loans will be eligible for refinancing. The refinanced loan need not have been made through a loan program administered by the office. Loans shall be made with available funds in the loan capital fund under section 136A.1785. ~~The A~~ A maximum amount of outstanding loans refinanced under this section may ~~not exceed \$100,000,000~~ be determined by the office. The maximum loan under this section may not exceed \$70,000 ~~\$250,000.~~ In determining the maximum amount of outstanding loans refinanced, the office shall take into consideration funding capacity for the SELF Refi program, delinquency and default loss management, levels of student debt, current financial market conditions, and other considerations to protect the financial stability of the program.

Sec. 15. Minnesota Statutes 2020, section 136A.246, subdivision 1, is amended to read:

Subdivision 1. **Program created.** The commissioner shall make grants for the training of employees to achieve the competency standard for an occupation identified by the commissioner of labor and industry under section 175.45 and Laws 2014, chapter 312, article 3, section 21. ~~"Competency standard" has the meaning given in section 175.45, subdivision 2.~~ An individual must, no later than the commencement of the training, be an employee of the employer seeking a grant to train that individual.

Sec. 16. Minnesota Statutes 2020, section 136A.246, is amended by adding a subdivision to read:

Subd. 1a. **Definitions.** (a) The terms defined in this subdivision apply to this section.

(b) "Competency standard" has the meaning given in section 175.45, subdivision 2.

(c) "Eligible training" means training provided by an eligible training provider that:

(1) includes training to meet one or more identified competency standards;

(2) is instructor-led for a majority of the training; and

(3) results in the employee receiving an industry-recognized degree, certificate, or credential.

(d) "Eligible training provider" means an institution:

(1) operated by the Board of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the University of Minnesota;

(2) licensed or registered as a postsecondary institution by the office; or

(3) exempt from the provisions of section 136A.822 to 136A.834 or 136A.61 to 136A.71 as approved by the office.

(e) "Industry-recognized degrees, certificates, or credentials" means:

(1) certificates, diplomas, or degrees issued by a postsecondary institution;

(2) registered apprenticeship certifications or certificates;

(3) occupational licenses or registrations;

(4) certifications issued by, or recognized by, industry or professional associations; and

(5) other certifications as approved by the commissioner.

Sec. 17. Minnesota Statutes 2020, section 136A.246, subdivision 2, is amended to read:

Subd. 2. **Eligible grantees.** An employer or an organization representing the employer is eligible to apply for a grant to train employees if the employer has an employee who is in or is to be trained to be in an occupation for which a competency standard has been identified and the employee has not attained the competency standard prior to the commencement of the planned training. ~~Training need not address all aspects of a competency standard but may address only the competencies of a standard that an employee is lacking. An employee must receive an industry recognized degree, certificate, or credential upon successful completion of the training. A grantee must have an agreement with an eligible training provider to provide eligible training prior to payment of grant.~~

Sec. 18. Minnesota Statutes 2020, section 136A.246, subdivision 3, is amended to read:

Subd. 3. **Eligible training institution or program provider.** ~~The employer must have an agreement with a training institution or program to provide the employee competency standard training prior to the grant award. The training may be provided by any institution or program having trainers qualified to instruct on the competency standard.~~

The Office of Higher Education and the Department of Labor and Industry must cooperate in maintaining an inventory of degree, certificate, and credential programs that provide training to meet competency standards. The inventory must be posted on each agency's website with contact information for each program ~~by September 1, 2016.~~ The postings must be updated periodically.

Sec. 19. Minnesota Statutes 2020, section 136A.246, subdivision 4, is amended to read:

Subd. 4. **Application.** Applications must be made to the commissioner on a form provided by the commissioner. The commissioner must, to the extent possible, make the application form as short and simple to complete as is reasonably possible. The commissioner shall establish a schedule for applications and grants. The application must include, without limitation:

- (1) the projected number of employee trainees;
- ~~(2) the number of projected employee trainees who graduated from high school or passed the commissioner of education selected high school equivalency test in the current or immediately preceding calendar year;~~
- ~~(3)~~ (2) the competency standard for which training will be provided;
- (4) ~~(3)~~ the credential the employee will receive upon completion of training;
- ~~(5)~~ (4) the name and address of the eligible training provider institution or program and a signed statement by the institution or program that it is able and agrees to provide the training;
- ~~(6)~~ (5) the period of the training; and
- ~~(7)~~ (6) the cost of the training charged by the eligible training provider institution or program and certified by the institution or program. The cost of training includes tuition, fees, and required books and materials.

An application may be made for training of employees of multiple employers either by the employers or by an organization on their behalf.

Sec. 20. Minnesota Statutes 2020, section 136A.246, subdivision 5, is amended to read:

Subd. 5. **Grant criteria.** ~~(a) Except as provided in this subdivision, the commissioner shall award grants to employers solely for training employees who graduated from high school or passed commissioner of education selected high school equivalency tests in the current or immediately preceding calendar year.~~

~~(b) If there are not sufficient eligible applications satisfying paragraph (a), the commissioner may award grants to applicants to train employees who do not meet the requirements of paragraph (a).~~

~~(c)~~ (a) The commissioner shall, ~~to the extent possible after complying with paragraph (a),~~ make at least an approximately equal dollar amount of grants for training for employees whose work site is projected to be outside the metropolitan area as defined in section 473.121, subdivision 2, as for employees whose work site is projected to be within the metropolitan area.

~~(d)~~ (b) In determining the award of grants, the commissioner must consider, among other factors:

- (1) the aggregate state and regional need for employees with the competency to be trained;
- (2) the competency standards developed by the commissioner of labor and industry as part of the Minnesota PIPELINE Project;
- (3) the per employee cost of training;
- (4) the additional employment opportunities for employees because of the training;

(5) the on-the-job training the employee receives;

(6) the employer's demonstrated ability to recruit, train, and retain employees who are recent high school graduates or who recently passed high school equivalency tests;

(7) the employer's demonstrated commitment to recruit, train, and retain employees of color, American Indian employees, and employees with disabilities;

~~(6)~~ (8) projected increases in compensation for employees receiving the training; and

~~(7)~~ (9) the amount of employer training cost match, if required, on both a per employee and aggregate basis.

Sec. 21. Minnesota Statutes 2020, section 136A.246, subdivision 6, is amended to read:

Subd. 6. **Employer match.** A large employer must pay for at least 25 percent of the eligible training ~~institution's or program's provider's~~ charge for the eligible training to the ~~training institution or program provider~~. For the purpose of this subdivision, a "large employer" means a business with more than \$25,000,000 in annual gross revenue in the previous calendar year.

Sec. 22. Minnesota Statutes 2020, section 136A.246, subdivision 7, is amended to read:

Subd. 7. **Payment of grant.** (a) The commissioner shall pay the grant to the employer after the employer presents satisfactory evidence to the commissioner that the employer has paid the eligible training ~~institution or program provider~~.

(b) If an employer demonstrates that it is not able to pay for the training in advance, the commissioner shall make grant payments directly to the eligible training ~~institution or program provider~~.

Sec. 23. Minnesota Statutes 2020, section 136A.246, subdivision 8, is amended to read:

Subd. 8. **Grant amounts.** (a) The maximum grant for an application is \$150,000. A grant may not exceed \$6,000 per year for a maximum of four years per employee.

(b) An employee who is attending an eligible training provider that is an institution under section 136A.103 must apply for Pell and state grants as a condition of payment for training that employee under this section.

Sec. 24. Minnesota Statutes 2020, section 136A.63, subdivision 2, is amended to read:

Subd. 2. **Sale of an institution.** Within 30 days of a change of its ownership a school must submit a registration renewal application, all usual and ordinary information and materials for an initial registration, and applicable registration fees for a new institution. For purposes of this subdivision, "change of ownership" means a merger or consolidation with a corporation; a sale, lease, exchange, or other disposition of all or substantially all of the assets of a school; the transfer of a controlling interest of at least 51 percent of the school's stock; the school enters receivership; or a change in the nonprofit or for-profit status of a school.

Sec. 25. Minnesota Statutes 2020, section 136A.645, is amended to read:

136A.645 SCHOOL CLOSURE.

(a) When a school intends to cease postsecondary education operations, announces its closure, or is informed by the office that the office anticipates the school's closure due to its registration status or ability to meet criteria for approval under section 136A.65, the school must provide the office:

(1) a notice of closure, including the name of the school, the name of the school owner, an active mailing address and telephone number that the school owner may be reached at after the school physically closes, the name of the school director, and the planned date for termination of postsecondary operations;

(2) a report of all students currently enrolled and all students enrolled within the prior 120 days, including the following information for each student: name, address, school e-mail address, alternate e-mail address, program of study, number of credits completed, number of credits remaining, and enrollment status at closure;

(3) a report of refunds due to any student and the amount due;

(4) a written statement from the school's owner or designee affirming that all recruitment efforts, school marketing, advertisement, solicitation, and enrollment of new students has ceased;

(5) a copy of any communication between the school's accreditors about the school closure;

(6) confirmation that the requirements for student records under section 136A.68 have been satisfied, including:

(i) the planned date for the transfer of the student records;

(ii) confirmation of the name and address of the organization to receive and hold the student records; and

(iii) the official at the organization receiving the student records who is designated to provide official copies of records or transcripts upon request;

(7) academic information, including the school's most recent catalog, all course syllabi, and faculty credential information; and

(8) copies of any teach-out, transfer, or train-out agreement between the school and a new school for students to be able to complete their studies. A teach-out fulfills the original contract or agreement between the closing school and the student. If a teach-out is arranged for another approved school to do the remaining occupational training, that other school must (i) provide comparable education and training and (ii) agree that students transferring from the closing school pay only what the cost of tuition and fees remain unpaid according to the terms and conditions in the enrollment agreement entered into between the student and the closing school.

(b) Without limitation as to other circumstance, a school shall be deemed to have ceased operations when the school:

(1) has an unscheduled nonemergency closure or cancellation of classes for more than 24 hours without prior notice to the office;

(2) announces it is closed or closing; ~~or~~

(3) files for bankruptcy; or

(4) fails to complete a renewal application when required under section 136A.63, subdivision 2.

(c) When a school is deemed to have ceased operations, the office shall provide the school a reasonable time to correct student records and grant credentials. After that time, the office must revoke the school's registration. This revocation is not appealable under section 136A.65, subdivision 8.

Sec. 26. Minnesota Statutes 2020, section 136A.653, subdivision 5, is amended to read:

Subd. 5. **Regionally Higher Learning Commission accredited institutions in Minnesota.** (a) A ~~regionally accredited~~ postsecondary institution accredited by the Higher Learning Commission or its successor with its primary physical location in Minnesota is exempt from the provisions of sections 136A.61 to 136A.71, including related fees, when it creates new or modifies existing:

- (1) majors, minors, concentrations, specializations, and areas of emphasis within approved degrees;
- (2) nondegree programs within approved degrees;
- (3) underlying curriculum or courses;
- (4) modes of delivery; and
- (5) locations.

(b) The institution must annually notify the commissioner of the exempt actions listed in paragraph (a) and, upon the commissioner's request, must provide additional information about the action.

(c) The institution must notify the commissioner within 60 days of a program closing.

(d) Nothing in this subdivision exempts an institution from the annual registration and degree approval requirements of sections 136A.61 to 136A.71.

Sec. 27. Minnesota Statutes 2020, section 136A.675, is amended to read:

136A.675 RISK ANALYSIS.

Subdivision 1. **Standard development and usage.** (a) ~~To screen and detect whether an institution may not be financially or administratively responsible, the office shall develop a set of financial and programmatic evaluation metrics to aid in the detection of the failure or potential failure of a school to meet the standards established under sections 136A.61 to 136A.71 nonfinancial indicators. These metrics shall include indicators of financial stability, changes in the senior management or the financial aid and senior administrative staff of an institution, changes in enrollment, changes in program offerings, and changes in faculty staffing patterns. The development of financial standards and nonfinancial indicators shall use industry standards as benchmarks guidance. The development of the nonfinancial standards shall include a measure of trends and dramatic changes in trends or practice.~~

(b) Annually, the agency office must specify the metrics and standards for each area and provide a copy of the financial and nonfinancial indicators to each registered institution and post them a list of reviewed indicators on the agency office website.

(c) The agency office shall use regularly reported data submitted to the federal government or other regulatory or accreditation agencies wherever possible. The agency may require more frequent data reporting by an institution to ascertain whether the standards are being met.

(d) The office must use the indicators in this subdivision to identify institutions at potential risk of being unable to meet the standards established under sections 136A.646; 136A.64, subdivision 3; 136A.65, subdivisions 1a and 4, paragraph (a), clauses (1), (2), (3), and (7); and 136A.685 and thus unlikely to meet its financial obligations or complete its academic terms for the next 18 months.

Subd. 2. **Additional reporting.** (a) In addition to the information required for the indicators in subdivision 1, an institution must notify the office within ten business days if any of the events in paragraphs (b) to (e) occur.

(b) Related to revenue, debt, and cash flow, notice is required if:

(1) the institution defaulted on a debt payment or covenant and has not received a waiver of the violation from the financial institution within 60 days;

(2) for institutions with a federal composite score of less than 1.5, the institution's owner withdraws equity that directly results in a composite score of less than 1.0, unless the withdrawal is a transfer between affiliated entities included in a common composite score;

(3) the United States Department of Education requires a 25 percent or greater Letter of Credit, except when the Letter of Credit is imposed due to a change of ownership;

(4) the United States Department of Education requires Heightened Cash Monitoring 2;

(5) the institution receives written notification that it violated the United States Department of Education's revenue requirement under United States Code, title 20, section 1094(a)(24), as amended; or

(6) the institution receives written notification by the United States Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV is conditioned upon satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c).

(c) Related to accreditation and licensing, notice is required if:

(1) the institution receives written notification of probation, warning, show-cause, or loss of institutional accreditation;

(2) the institution receives written notification that its institutional accreditor lost federal recognition; or

(3) the institution receives written notification that it has materially violated state authorization or institution licensing requirements in a different state that may lead to or has led to the termination of the institution's ability to continue to provide educational programs or otherwise continue to operate in that state.

(d) Related to securities, notice is required if:

(1) the Securities and Exchange Commission (i) issues an order suspending or revoking the registration of the institution's securities, or (ii) suspends trading of the institution's securities on any national securities exchange;

(2) the national securities exchange on which the institution's securities are traded notifies the institution that it is not in compliance with the exchange's listing requirements and the institution's securities are delisted; or

(3) the Securities and Exchange Commission is not in timely receipt of a required report and did not issue an extension to file the report.

(e) Related to criminal and civil investigations, notice is required if:

(1) the institution receives written notification of a felony criminal indictment or charges of the institution's owner;

(2) the institution receives written notification of criminal indictment or charges of the institution's officers related to operations of the institution; or

(3) there has been a criminal, civil, or administrative adjudication of fraud or misrepresentation in Minnesota or in another state or jurisdiction against the institution or its owner, officers, agents, or sponsoring organization.

Subd. 3. Determination procedures. (a) The office shall conduct a systematic evaluation under this paragraph and make a preliminary determination as to whether action under paragraph (e) is necessary, if the office: (1) identifies a potential risk under subdivision 1, paragraph (d); (2) receives notification from an institution under subdivision 2; or (3) identifies other exigent circumstances impacting the institution that may deny students a reasonable opportunity to complete their education program at the institution or through an alternate institution with minimal disruption. The systematic evaluation must, to the extent practicable, be a collaboration between the office and the institution. The office must request additional context and information from the institution that demonstrates the administrative and financial responsibility of the institution. If the institution is not financially or administratively responsible, a contingency plan must be implemented either collaboratively or as part of a final determination under paragraph (e), clause (4).

(b) The office shall provide notice in writing to the institution of the preliminary determination. The notice shall provide the analysis used by the office to make the determination, a request for the institution to provide additional context and information that demonstrates the administrative and financial responsibility of the institution not provided under paragraph (a), any potential action the office may take under paragraph (e), and a deadline for responding to the notice. The institution shall have no fewer than ten business days to respond to the preliminary determination.

(c) The response from the institution to provide additional context and information must be written and may include a collaborative consultation with the office. In its response, the institution shall provide additional context, financial data, and other information, including but not limited to evidence of sound business practices, institutional financial health, compliance with the requirements of sections 136A.61 to 136A.71, or sufficient and timely plans to cure any noncompliance or to manage financial health and risk.

(d) If the institution does not respond to the office's notice and request for additional context and information within the time required, the office's preliminary determination shall become final and the office may take any of the actions specified in the notice required by paragraph (e). If the institution responds to the office's notice, the office must reevaluate the preliminary determination. The office shall use the additional context and information provided by the institution to make a final determination and determine which actions under paragraph (e), if any, are necessary to mitigate risk to students and state financial aid under this chapter.

(e) The office may use a final determination to:

(1) revoke, suspend, or refuse to renew registration, approval of an institution's degree, or use of a regulated term in its name under section 136A.65, subdivision 8;

(2) require periodic monitoring and submission of reports on the institution's administrative and financial responsibility to ascertain whether compliance and financial risk improves;

(3) require periodic collaborative consultations with the institution on noncompliance with sections 136A.61 to 136A.71, or how the institution is managing financial health and risk;

(4) require the institution to submit contingency plans such as teach-out plans or transfer pathways for students;

(5) prohibit the institution from accepting tuition and fee payments made through cash, alternative loans, or the equivalent, prior to the add/drop period of the current period of instruction;

(6) prohibit the institution from enrolling new students;

(7) initiate alternative processes and communications with students enrolled at the institution;

(8) require a surety bond under section 136A.646; or

(9) submit institution closure information under section 136A.645.

(f) The office shall provide to the institution written notice of the final determination and the actions taken under paragraph (e).

Subd. 4. Data classification. Data under this section shall be classified as financial records under section 136A.64, subdivision 2.

Sec. 28. Minnesota Statutes 2020, section 136A.68, is amended to read:

136A.68 RECORDS.

(a) A registered school shall maintain a permanent record for each student for 50 years from the last date of the student's attendance. A registered school offering distance instruction to a student located in Minnesota shall maintain a permanent record for each Minnesota student for 50 years from the last date of the student's attendance. Records include a student's academic transcript, documents, and files containing student data about academic credits earned, courses completed, grades awarded, degrees awarded, and periods of attendance.

(b) A registered school shall maintain records required for professional licensure in Minnesota that are not included in paragraph (a) for ten years from the last date of the student's attendance or the number of years required by an institutional or programmatic accreditor, whichever is greater.

(c) To preserve permanent records, a school shall submit a plan that meets the following requirements:

(1) at least one copy of the records must be held in a secure, fireproof depository or duplicate records must be maintained off site in a secure location and in a manner approved by the office;

(2) an appropriate official must be designated to provide a student with copies of records or a transcript upon request;

(3) an alternative method approved by the office of complying with clauses (1) and (2) must be established if the school ceases to exist; and

(4) if the school has no binding agreement approved by the office for preserving student records, a continuous surety bond or an irrevocable letter of credit issued by a financial institution must be filed with the office in an amount not to exceed \$20,000. The bond or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover, maintain, digitize, and destroy academic records.

Sec. 29. Minnesota Statutes 2020, section 136A.822, subdivision 12, is amended to read:

Subd. 12. Permanent student records. (a) A private career school licensed under sections 136A.82 to 136A.834 and located in Minnesota shall maintain a permanent student record for each student for 50 years from the last date of the student's attendance. A private career school licensed under this chapter and offering distance instruction to a student located in Minnesota shall maintain a permanent record for each Minnesota student for

50 years from the last date of the student's attendance. Records include school transcripts, documents, and files containing student data about academic credits earned, courses completed, grades awarded, degrees awarded, and periods of attendance.

(b) A private career school licensed under sections 136A.82 to 136A.834 and located in Minnesota shall maintain a permanent student record required for professional licensure in Minnesota for each student for ten years from the last date of the student's attendance or the number of years required by an institutional or programmatic accreditor, whichever is greater. A private career school licensed under this chapter and offering distance instruction to a student located in Minnesota shall maintain records required for professional licensure in Minnesota that are not included in paragraph (a) for each Minnesota student for ten years from the last date of the student's attendance or the number of years required by an institutional or programmatic accreditor, whichever is greater.

To preserve permanent student records, a private career school shall submit a plan that meets the following requirements:

- (1) at least one copy of the records must be held in a secure, fireproof depository;
- (2) an appropriate official must be designated to provide a student with copies of records or a transcript upon request;
- (3) an alternative method, approved by the office, of complying with clauses (1) and (2) must be established if the private career school ceases to exist; and
- (4) a continuous surety bond or irrevocable letter of credit issued by a financial institution must be filed with the office in an amount not to exceed \$20,000 if the private career school has no binding agreement approved by the office, for preserving student records. The bond or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover, maintain, digitize, and destroy academic records.

Sec. 30. Minnesota Statutes 2020, section 136A.8225, is amended to read:

136A.8225 SCHOOL CLOSURE.

(a) When a school intends to cease postsecondary education operations, announces its closure, or is informed by the office that the office anticipates the school's closure due to its licensure status or ability to meet criteria for approval under section 136A.822, subdivision 8, the school must provide the office:

- (1) a notice of closure, including the name of the school, the name of the school owner, an active mailing address and telephone number that the school owner may be reached at after the school physically closes, the name of the school director, and the planned date for termination of postsecondary operations;
- (2) a report of all students currently enrolled and all students enrolled within the prior 120 days, including the following information for each student: name, address, school e-mail address, alternate e-mail address, program of study, number of credits completed, number of credits remaining, and enrollment status at closure;
- (3) a report of refunds due to any student and the amount due;
- (4) a written statement from the school's owner or designee affirming that all recruitment efforts, school marketing, advertisement, solicitation, and enrollment of new students has ceased;
- (5) a copy of any communication between the school's accreditors about the school closure;

(6) confirmation that the requirements for student records under section 136A.822, subdivision 12, have been satisfied, including:

(i) the planned date for the transfer of the student records;

(ii) confirmation of the name and address of the organization to receive and hold the student records; and

(iii) the official at the organization receiving the student records who is designated to provide official copies of records or transcripts upon request;

(7) academic information, including the school's most recent catalog, all course syllabi, and faculty credential information; and

(8) copies of any teach-out, transfer, or train-out agreement between the school and a new school for students to be able to complete their studies. A teach-out fulfills the original contract or agreement between the closing school and the student. If a teach-out is arranged for another approved school to do the remaining occupational training, that other school must (i) provide comparable education and training and (ii) agree that students transferring from the closing school pay only what the cost of tuition and fees remain unpaid according to the terms and conditions in the enrollment agreement entered into between the student and the closing school.

(b) Without limitation as to other circumstance, a school shall be deemed to have ceased operations when the school:

(1) has an unscheduled nonemergency closure or cancellation of classes for more than 24 hours without prior notice to the office;

(2) announces it is closed or closing; ~~or~~

(3) files for bankruptcy; or

(4) fails to complete a renewal application when required under section 136A.823, subdivision 3.

(c) When a school is deemed to have ceased operations, the office shall provide the school a reasonable time to correct student records and grant credentials. After that time, the office must revoke the school's license. This revocation is not appealable under section 136A.829, subdivision 2.

Sec. 31. Minnesota Statutes 2020, section 136A.823, is amended by adding a subdivision to read:

Subd. 3. **Change of ownership.** Within 30 days of a change of ownership, a school must submit a registration renewal application, the information and materials for an initial registration under section 136A.822, subdivision 4, and the applicable registration fees for a new institution under section 136A.824, subdivision 1. For purposes of this subdivision, "change of ownership" means: a merger or consolidation with a corporation; a sale, lease, exchange, or other disposition of all or substantially all of the assets of a school; the transfer of a controlling interest of at least 51 percent of the school's stock; entering into receivership; or a change in the nonprofit or for-profit status of a school.

Sec. 32. Minnesota Statutes 2020, section 136A.827, subdivision 4, is amended to read:

Subd. 4. **Proration.** ~~(a) When a student has been accepted by a private career school and gives notice of cancellation after the program of instruction has begun, but before completion of 75 percent of the program, the amount charged for tuition, fees and all other charges shall be prorated based on the number of days in the term as a portion of the total charges for tuition, fees and all other charges. An additional 25 percent of the total cost of the~~

~~program may be added but shall not exceed \$100. After completion of 75 percent of the program, no refunds are required. the student is entitled to a refund if, at the last documented date of attendance, the student has not completed at least 75 percent of the entire program of instruction. For purposes of this subdivision, program of instruction is calculated under paragraph (c) or (d). Program of instruction does not mean one term, a payment period, a module, or any other portion of the entire instructional program.~~

(b) A notice of cancellation from a student under this subdivision must be confirmed in writing by the private career school and mailed to the student's last known address. The confirmation from the school must state that the school has withdrawn the student from enrollment, and if this action was not the student's intent, the student must contact the school.

(c) The length of a program of instruction for a program that has a defined calendar start and end date that does not change after the program has begun equals the number of days from the first scheduled date of the program through the last scheduled date of the program. To calculate the completion percentage, divide the number of calendar days from the first date of the program through the student's last documented date of attendance by the length of the program of instruction, and truncate the result after the second digit following the decimal point. If the completion percentage is less than 75 percent, the private career school may retain:

(1) tuition, fees, and charges equal to the total of tuition, fees, and charges multiplied by the completion percentage; plus

(2) the initial program application fees, not to exceed \$50; plus

(3) the lesser of (i) 25 percent of the total tuition, or (ii) \$100.

(d) The length of a program of instruction for a program that is measured in clock hours equals the number of clock hours the student was scheduled to attend. To calculate the completion percentage, divide the number of clock hours that the student actually attended by the length of the program of instruction, and truncate the result after the second digit following the decimal point. If the completion percentage is less than 75 percent, the private career school may retain:

(1) tuition, fees, and charges equal to the total of tuition, fees, and charges multiplied by the completion percentage; plus

(2) the initial program application fees, not to exceed \$50; plus

(3) the lesser of (i) 25 percent of the total tuition, or (ii) \$100.

Sec. 33. Minnesota Statutes 2020, section 136A.827, subdivision 8, is amended to read:

Subd. 8. **Cancellation occurrence.** ~~Written notice of cancellation shall take place on the date the letter of cancellation is postmarked or, in the cases where the notice is hand-carried, it shall occur on the date the notice is delivered to the private career school. Notice of cancellation shall be the date a student notifies a private career school of the student's intention to withdraw or otherwise leave the program of study. The student is not required to provide a written notice. The private career school may require a student to provide the student's notification only to specific offices or personnel at the school as long as this requirement is documented as part of the "Student's Right to Cancel" in all places that the information appears, including on the private career school's website. The date of the notice of cancellation may or may not be the same date as the student's last documented date of attendance. If a student has not attended class for a period of 21 14 consecutive days without contacting the private career school to indicate an intent to continue in the private career school provide notice of cancellation or otherwise making make arrangements concerning the absence, the student is considered to have withdrawn from the private career school for all purposes as of the student's last documented date of attendance.~~

Sec. 34. Minnesota Statutes 2020, section 136F.245, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** A Hunger-Free Campus designation ~~for Minnesota State community and technical colleges~~ is established for public postsecondary institutions and for nonprofit degree-granting institutions physically located in Minnesota and registered with the Office of Higher Education under section 136A.63. In order to be awarded the designation, ~~a campus~~ an institution must meet the following minimum criteria:

- (1) have an established on-campus food pantry or partnership with a local food bank to provide regular, on-campus food distributions;
- (2) provide information to students on SNAP, MFIP, and other programs that reduce food insecurity;
- (3) hold or participate in one hunger awareness event per academic year;
- (4) have an established emergency assistance grant that is available to students; and
- (5) establish a hunger task force that meets a minimum of three times per academic year. The task force must include at least two students currently enrolled at the ~~college~~ institution.

Sec. 35. Minnesota Statutes 2020, section 136F.245, subdivision 2, is amended to read:

Subd. 2. **Designation approval.** (a) The statewide student ~~association~~ associations representing the state community and technical colleges and the state universities shall create an application process and ~~a nonmonetary~~ an award, and provide final approval for the designation at each state college and university, respectively.

(b) The University of Minnesota statewide student association shall create an application process and an award, and provide final approval for the designation at each University of Minnesota campus.

(c) The Minnesota Association of Private College Students shall create an application process and an award, and provide final approval for the designation at each nonprofit degree-granting institution.

Sec. 36. Minnesota Statutes 2020, section 136F.305, is amended to read:

136F.305 Z-DEGREES.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

~~(b) "Custom textbook" means course materials that are compiled by a publisher at the direction of a faculty member or, if applicable, the other adopting entity in charge of selecting course materials for courses taught at a state college or university. Custom textbooks may include items such as selections from original instructor materials, previously copyrighted publisher materials, copyrighted third party works, or elements unique to a specific state college or university.~~

(b) "Course" means a single unit of teaching in one subject area led by one or more instructors with a definite start and end date and a fixed roster of students.

(c) "Course materials" means a hard-copy or digital book, printed pages of instructional material, including consumable workbooks, lab manuals, subscriptions, online homework and quizzing platforms, and other required physical and digital content.

(d) "Course section" means an instance of a course.

~~(e)~~ (e) "Incentive" means anything provided to faculty to identify, review, adapt, author, or adopt open ~~textbooks~~ educational resources.

~~(d)~~ (f) "Open educational resources" means ~~high-quality~~ high-quality teaching, learning, and research ~~resources~~ materials that ~~reside~~ are in the public domain or have been released under an intellectual property license that permits their free use and repurposing by others, ~~and may include other resources that are legally available and free of cost to students.~~ Open educational resources include ~~course materials, modules, custom and open textbooks, articles, faculty created content, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge~~ textbooks and curricula, syllabi, lecture notes, assignments, tests, projects, audio, video, and animation.

~~(e)~~ (g) "Open textbook" means ~~a textbook that is distributed using an open copyright~~ a type of open educational resource released under an intellectual property license that at a minimum allows a student to obtain, retain, reuse, and redistribute the material at no cost.

(h) "Library-curated materials" means diverse resources purchases by the library at no additional cost to the student for the supplementation or replacement of course materials.

~~(f)~~ (i) "System office" means the Minnesota State Colleges and Universities system office.

~~(g)~~ (j) "Z-Degree" means a ~~zero-textbook-cost~~ complete associate's or bachelor's degree program that exclusively uses course materials that are no cost to students such as open educational resources, open textbooks, and library-curated materials. Students may still incur costs for printing digital materials or for the following: art supplies, calculators, equipment, fees in statute or policy mandated to be charged by all colleges and universities, campus discretionary fees established by the board and adopted by the college, personal property, and service charges or course activities having value outside of the classroom.

Subd. 2. **Requirement.** (a) ~~Three additional colleges must offer the opportunity to earn a Z-Degree by academic year 2020-2021. A college's~~ Two additional colleges or universities must offer the opportunity to earn a Z-Degree by academic year 2023-2024. ~~Course offerings for its~~ in a Z-Degree program must include at least two distinct courses in each transfer curriculum goal area and at least enough credits in each transfer curriculum goal area to complete the transfer curriculum package.

(b) The Minnesota State Colleges and Universities shall support a continuous process for colleges and universities to implement Z-Degrees, expand Z-Degree courses and sections, and sustain existing Z-Degrees.

Subd. 3. **Open educational resource development.** ~~(a) The Minnesota State Colleges and Universities must develop a program to offer a Z degree at three additional colleges by expanding the use of open educational resources, including custom and open textbooks.~~ The system office must provide opportunities for faculty to identify, review, adapt, ~~author,~~ create, share, and adopt open educational resources. The system office must develop incentives to academic departments to identify, review, adapt, author, or adopt open educational resources within their academic programs.

(b) The programs and incentives developed under this subdivision must be implemented pursuant to faculty collective bargaining agreements.

Subd. 4. **Report.** Annually by January 15, ~~the board must submit reports by January 13, 2021, and January 12, 2022,~~ to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education. Each report must include (1) the number of courses and course sections ~~transitioned to using an open textbook resulting from the programs in this section~~ into a new Z-Degree, and (2) the total amount of student textbook savings resulting from the transitions.

Sec. 37. Minnesota Statutes 2020, section 136F.38, subdivision 3, is amended to read:

Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible for resident tuition, as defined in section 135A.043, who is enrolled in any of the following programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health care services; (4) information technology; (5) early childhood; ~~or~~ (6) transportation; or (7) a program of study under paragraph (b).

(b) Each institution may add one additional area of study or certification, based on a workforce shortage for full-time employment requiring postsecondary education that is unique to the institution's specific region, as reported in the most recent Department of Employment and Economic Development job vacancy survey data for the economic development region in which the institution is located. A workforce shortage area is one in which the job vacancy rate for full-time employment in a specific occupation in a region is higher than the state average vacancy rate for that same occupation. The institution may change the area of study or certification based on new data once every two years.

(c) The student must be enrolled for at least nine credits in the Minnesota State Colleges and Universities system.

Sec. 38. Minnesota Statutes 2020, section 136G.05, subdivision 10, is amended to read:

Subd. 10. **Data.** (a) Account owner data, account data, and data on beneficiaries of accounts are private data on individuals or nonpublic data as defined in section 13.02, ~~except that the names and addresses of the beneficiaries of accounts that receive matching grants are public~~ unless the data qualifies for the exception in paragraph (b).

(b) The commissioner may share an account owner's name and Social Security number with the Department of Revenue in order to compile studies under section 270B.04. Data sharing authorized by this paragraph is only for purposes of evaluative research and analysis of the plan in order to make ongoing informed decisions regarding plan administration.

Sec. 39. **DIRECT ADMISSIONS PILOT PROGRAM.**

Subdivision 1. **Authorization.** The commissioner of the Office of Higher Education shall develop a pilot program in consultation with stakeholders including Minnesota State Colleges and Universities, the Minnesota Department of Education, the Minnesota Association of Secondary School Principals, and the Minnesota School Board Association, to automatically offer conditional admission to Minnesota public high school seniors based on a student's high school grade point average, high school and college transcript information, standardized tests, statewide assessments, and other measures as determined by stakeholders.

Subd. 2. **Pilot design and goals.** The pilot program shall establish and, to the extent feasible, implement a process for leveraging existing kindergarten through grade 12 and higher education student information systems to automate the admissions process for students. The pilot program will specifically evaluate the impact this process has on outcomes for students with lower levels of college knowledge, low-income students, and students from populations underserved in higher education. Initial pilot program participants must include high schools with a significant number of students of color, low-income students, or both.

Subd. 3. **Evaluation and report.** By February 1, 2022, the Office of Higher Education shall report to the legislative committees with jurisdiction over kindergarten through grade 12 education finance and policy and higher education on activities occurring under this section. The report must include but is not limited to information about the pilot program design, implementation challenges and recommendations, and the feasibility of scaling the program to all public high schools.

Sec. 40. CAREER AND TECHNICAL EDUCATOR PILOT PROJECT.

By the 2024-2025 academic year, Winona State University must develop a teacher preparation program that leads to initial licensure in at least one license area under Minnesota Rules, parts 8710.8000 to 8710.8080. Winona State University must partner with Minnesota State College Southeast to provide the subject matter training necessary for license areas chosen. If practical, the partnership must result in a candidate earning an associate's degree from Minnesota State College Southeast and a bachelor's degree from Winona State University. Money appropriated for this project under article 1, section 3, subdivision 5, may be used for any of the following purposes:

(1) analyzing existing course offerings at both institutions to determine compliance with the requirements of Minnesota Rules, chapter 8705, and parts 8710.8000 to 8710.8080;

(2) determining any courses that need to be adjusted or created by each institution;

(3) designing and implementing any needed course; and

(4) providing administrative support for gaining approval of the program from the Professional Educator Licensing and Standards Board.

Sec. 41. STUDY AND REPORT ON THE WORK-STUDY PROGRAM.

(a) The commissioner of the Office of Higher Education must conduct a study of the work-study program under Minnesota Statutes, sections 136A.231 to 136A.233. The study must analyze how the program could be expanded to meet the needs of college students and enable more students to work on campus. The study should include an assessment of:

(1) the interplay between state, federal, and institutional work-study programs and funds;

(2) the impact of minimum wage laws and ordinances on the program;

(3) the ability of the program to require a wage for student workers that is higher than the prevailing minimum wage set by law;

(4) the number of hours students should be working on campus; and

(5) options for legislative and administrative actions to expand the work-study program along with the anticipated costs of those actions.

(b) By January 15, 2023, the commissioner shall report to the legislature as provided in Minnesota Statutes, section 3.195, and to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on the results of the study.

Sec. 42. REVISOR INSTRUCTION.

In Minnesota Statutes, the revisor of statutes shall renumber section 136F.245, as amended by this act, as 135A.137.

Sec. 43. REPEALER.

(a) Minnesota Statutes 2020, sections 136A.1703; 136A.823, subdivision 2; and 136F.245, subdivision 3, are repealed.

(b) Minnesota Rules, parts 4830.9050; 4830.9060; 4830.9070; 4830.9080; and 4830.9090, are repealed."

Delete the title and insert:

"A bill for an act relating to higher education; providing funding and policy changes for the Office of Higher Education, Minnesota State Colleges and Universities, the University of Minnesota, and the Mayo Clinic; freezing certain tuition rates; creating and modifying certain student aid programs; restricting limitations on student access to transcripts; modifying certain school accountability provisions; expanding the hunger-free campus designation; modifying data provision of the college savings plan; establishing pilot projects; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 136A.121, subdivisions 2, 6, 9; 136A.125, subdivisions 2, 4; 136A.126, subdivisions 1, 4; 136A.1275; 136A.1704; 136A.246, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, by adding a subdivision; 136A.63, subdivision 2; 136A.645; 136A.653, subdivision 5; 136A.675; 136A.68; 136A.822, subdivision 12; 136A.8225; 136A.823, by adding a subdivision; 136A.827, subdivisions 4, 8; 136F.245, subdivisions 1, 2; 136F.305; 136F.38, subdivision 3; 136G.05, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; repealing Minnesota Statutes 2020, sections 136A.1703; 136A.823, subdivision 2; 136F.245, subdivision 3; Minnesota Rules, parts 4830.9050; 4830.9060; 4830.9070; 4830.9080; 4830.9090."

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

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 1030, A bill for an act relating to judiciary; amending law and appropriating money for courts, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, and human rights; amending Minnesota Statutes 2020, sections 363A.36, subdivision 2; 363A.44, subdivision 2; 477A.03, subdivision 2b; 611.27, subdivisions 9, 10, 11, 13, 15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
APPROPRIATIONS

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **SUPREME COURT**

Subdivision 1. Total Appropriation**\$61,132,000****\$61,780,000**

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

Subd. 2. Supreme Court Operations**44,204,000****43,582,000****(a) Contingent Account**

\$5,000 each year is for a contingent account for expenses necessary for the normal operation of the court for which no other reimbursement is provided.

(b) Insurance Cost Increases

\$306,000 in fiscal year 2022 and \$661,000 in fiscal year 2023 are to fund increases in insurance costs.

(c) Increased Compensation

\$1,139,000 in fiscal year 2023 is for increased compensation for judges and other employees.

(d) Minnesota Court Record Online Application

\$741,000 in fiscal year 2022 is to fund critical improvements to the Minnesota Court Record Online application. This is a onetime appropriation.

(e) Cybersecurity Program

\$375,000 in fiscal year 2022 is to fund critical improvements to the judiciary branch cybersecurity program. This is a onetime appropriation.

(f) Courthouse Safety

\$1,000,000 in fiscal year 2022 is for a competitive grant program established by the chief justice for the distribution of safe and secure courthouse fund grants to governmental entities responsible for providing or maintaining a courthouse or other facility where court proceedings are held. Grant recipients must provide a 50 percent nonstate match. This is a onetime appropriation and is available until June 30, 2024.

Subd. 3. Civil Legal Services**16,928,000****18,198,000****(a) Legal Services to Low-Income Clients in Family Law Matters**

\$1,017,000 each year is to improve the access of low-income clients to legal representation in family law matters. This appropriation must be distributed under Minnesota Statutes,

section 480.242, to the qualified legal services program described in Minnesota Statutes, section 480.242, subdivision 2, paragraph (a). Any unencumbered balance remaining in the first year does not cancel and is available in the second year.

(b) Base Adjustment

The base appropriation for civil legal services shall be \$18,387,000 in fiscal year 2024 and beyond.

Sec. 3. <u>COURT OF APPEALS</u>	<u>\$13,234,000</u>	<u>\$13,634,000</u>
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(a) Insurance Cost Increases

\$71,000 in fiscal year 2022 and \$155,000 in fiscal year 2023 are to fund increases in insurance costs.

(b) Increased Compensation

\$316,000 in fiscal year 2023 is for increased compensation for judges and other employees.

Sec. 4. <u>DISTRICT COURTS</u>	<u>\$320,509,000</u>	<u>\$330,704,000</u>
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(a) Insurance Cost Increases

\$2,425,000 in fiscal year 2022 and \$5,232,000 in fiscal year 2023 are to fund increases in insurance costs.

(b) Increased Compensation

\$7,421,000 in fiscal year 2023 is for increased compensation for judges and other employees.

(c) Interpreter Compensation

\$400,000 in fiscal year 2022 and \$400,000 in fiscal year 2023 are to increase hourly fees paid to qualified certified and uncertified interpreters who are independent contractors and assist persons disabled in communication in legal proceedings.

Sec. 5. <u>GUARDIAN AD LITEM BOARD</u>	<u>\$22,206,000</u>	<u>\$22,889,000</u>
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Sec. 6. <u>TAX COURT</u>	<u>\$1,827,000</u>	<u>\$1,841,000</u>
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Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	<u>\$100,000</u>	<u>\$100,000</u>
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Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	<u>\$580,000</u>	<u>\$586,000</u>
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(a) Availability of Appropriation

If the appropriation for either year is insufficient, the appropriation for the other fiscal year is available.

(b) Major Disciplinary Actions

\$125,000 each year is for special investigative and hearing costs for major disciplinary actions undertaken by the board. This appropriation does not cancel. Any unencumbered and unspent balances remain available for these expenditures until June 30, 2025.

Sec. 9. **BOARD OF PUBLIC DEFENSE****\$109,770,000****\$112,468,000****(a) Public Defense Corporations**

\$74,000 the first year and \$152,000 the second year are for increases to public defense corporations.

(b) Postconviction Relief Petitions

\$187,000 in fiscal year 2022 is for contract attorneys to represent individuals who file postconviction relief petitions.

Sec. 10. **HUMAN RIGHTS****\$5,668,000****\$5,768,000****Additional Staffing and Administrative Costs**

\$345,000 in fiscal year 2022 and \$350,000 in fiscal year 2023 are for improving caseload processing, costs associated with prohibiting rental discrimination, staff and administrative costs necessary to collect and report on crimes of bias, and to develop training materials with the Board of Peace Officer Standards and Training.

Sec. 11. **OFFICE OF THE STATE AUDITOR****\$64,000****\$30,000****Forfeiture Reporting**

\$64,000 in fiscal year 2022 and \$30,000 in fiscal year 2023 are for costs associated with forfeiture reporting requirements.

Sec. 12. **DEPARTMENT OF PUBLIC SAFETY****\$24,000****\$-0-****Forfeiture Notices**

\$24,000 in fiscal year 2022 is for costs for technological upgrades required for generating forfeiture notices and property receipts.

Sec. 13. **FEDERAL FUNDS REPLACEMENT; APPROPRIATION.**

Notwithstanding any law to the contrary, the commissioner of management and budget must determine whether the expenditures authorized under this act are eligible uses of federal funding received under the Coronavirus State Fiscal Recovery Fund or any other federal funds received by the state under the American Rescue Plan Act, Public

Law 117-2. If the commissioner of management and budget determines an expenditure is eligible for funding under Public Law 117-2, the amount of the eligible expenditure is appropriated from the account where those amounts have been deposited and the corresponding general fund amounts appropriated under this act are canceled to the general fund.

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

ARTICLE 2
ACCESS TO COURTS; DISTRIBUTION OF FEES; DEADLINES

Section 1. Minnesota Statutes 2020, section 2.722, subdivision 1, is amended to read:

Subdivision 1. **Description.** Effective July 1, 1959, the state is divided into ten judicial districts composed of the following named counties, respectively, in each of which districts judges shall be chosen as hereinafter specified:

1. Goodhue, Dakota, Carver, Le Sueur, McLeod, Scott, and Sibley; 36 judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;
2. Ramsey; 26 judges;
3. Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; 23 judges; and permanent chambers shall be maintained in Faribault, Albert Lea, Austin, Rochester, and Winona;
4. Hennepin; 60 judges;
5. Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jackson; ~~46~~ 17 judges; and permanent chambers shall be maintained in Marshall, Windom, Fairmont, New Ulm, and Mankato;
6. Carlton, St. Louis, Lake, and Cook; 15 judges;
7. Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; 30 judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, and St. Cloud;
8. Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; 11 judges; and permanent chambers shall be maintained in Morris, Montevideo, and Willmar;
9. Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mahnomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Beltrami, Lake of the Woods, Clearwater, Cass and Koochiching; 24 judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, and International Falls; and
10. Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chisago, and Washington; 45 judges; and permanent chambers shall be maintained in Anoka, Stillwater, and other places designated by the chief judge of the district.

Sec. 2. Minnesota Statutes 2020, section 260C.163, subdivision 3, is amended to read:

Subd. 3. **Appointment of counsel.** (a) The child, parent, guardian or custodian has the right to effective assistance of counsel in connection with a proceeding in juvenile court as provided in this subdivision.

(b) Except in proceedings where the sole basis for the petition is habitual truancy, if the child desires counsel but is unable to employ it, the court shall appoint counsel to represent the child who is ten years of age or older under section 611.14, clause (4), or other counsel at public expense.

~~(c) Except in proceedings where the sole basis for the petition is habitual truancy, if the parent, guardian, or custodian desires counsel but is unable to employ it, the court shall appoint counsel to represent the parent, guardian, or custodian in any case in which it feels that such an appointment is appropriate if the person would be financially unable to obtain counsel under the guidelines set forth in section 611.17. In all juvenile protection proceedings where a child risks removal from the care of the child's parent, guardian, or custodian, including a child in need of protection or services petition, an action pursuing removal of a child from the child's home, a termination of parental rights petition, or a petition for any other permanency disposition under section 260C.515, if the parent, guardian, or custodian desires counsel and is eligible for counsel under section 611.17, the court shall appoint counsel to represent each parent, guardian, or custodian at the first hearing on the petition and at all stages of the proceedings. Court appointed counsel shall be at county expense as outlined in paragraph (h).~~

(d) In any proceeding where the subject of a petition for a child in need of protection or services is ten years of age or older, the responsible social services agency shall, within 14 days after filing the petition or at the emergency removal hearing under section 260C.178, subdivision 1, if the child is present, fully and effectively inform the child of the child's right to be represented by appointed counsel upon request and shall notify the court as to whether the child desired counsel. Information provided to the child shall include, at a minimum, the fact that counsel will be provided without charge to the child, that the child's communications with counsel are confidential, and that the child has the right to participate in all proceedings on a petition, including the opportunity to personally attend all hearings. The responsible social services agency shall also, within 14 days of the child's tenth birthday, fully and effectively inform the child of the child's right to be represented by counsel if the child reaches the age of ten years while the child is the subject of a petition for a child in need of protection or services or is a child under the guardianship of the commissioner.

(e) In any proceeding where the sole basis for the petition is habitual truancy, the child, parent, guardian, and custodian do not have the right to appointment of a public defender or other counsel at public expense. However, before any out-of-home placement, including foster care or inpatient treatment, can be ordered, the court must appoint a public defender or other counsel at public expense in accordance with this subdivision.

(f) Counsel for the child shall not also act as the child's guardian ad litem.

(g) In any proceeding where the subject of a petition for a child in need of protection or services is not represented by an attorney, the court shall determine the child's preferences regarding the proceedings, including informing the child of the right to appointed counsel and asking whether the child desires counsel, if the child is of suitable age to express a preference.

(h) Court-appointed counsel for the parent, guardian, or custodian under this subdivision is at county expense. If the county has contracted with counsel ~~meeting qualifications under paragraph (i)~~, the court shall appoint the counsel retained by the county, unless a conflict of interest exists. If a conflict exists, after consulting with the chief judge of the judicial district or the judge's designee, the county shall contract with competent counsel to provide the necessary representation. ~~The court may appoint only one counsel at public expense for the first court hearing to represent the interests of the parents, guardians, and custodians, unless, at any time during the proceedings upon petition of a party, the court determines and makes written findings on the record that extraordinary circumstances exist that require counsel to be appointed to represent a separate interest of other parents, guardians, or custodians subject to the jurisdiction of the juvenile court.~~

~~(i) Counsel retained by the county under paragraph (h) must meet the qualifications established by the Judicial Council in at least one of the following: (1) has a minimum of two years' experience handling child protection cases; (2) has training in handling child protection cases from a course or courses approved by the Judicial Council; or (3) is supervised by an attorney who meets the minimum qualifications under clause (1) or (2).~~

EFFECTIVE DATE. This section is effective July 1, 2022, except the amendment striking paragraph (i) is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2020, section 357.021, subdivision 1a, is amended to read:

Subd. 1a. **Transmittal of fees to commissioner of management and budget.** (a) Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court administrator shall transmit the fees monthly to the commissioner of management and budget for deposit in the state treasury and credit to the general fund. \$30 of each fee collected in a dissolution action under subdivision 2, clause (1), must be deposited by the commissioner of management and budget in the special revenue fund and is appropriated to the commissioner of employment and economic development for the Minnesota Family Resiliency Partnership under section 116L.96.

(b) In a county which has a screener-collector position, fees paid by a county pursuant to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the fees first to reimburse the county for the amount of the salary paid for the screener-collector position. The balance of the fees collected shall then be forwarded to the commissioner of management and budget for deposit in the state treasury and credited to the general fund. In a county in a judicial district under section 480.181, subdivision 1, paragraph (b), which has a screener-collector position, the fees paid by a county shall be transmitted monthly to the commissioner of management and budget for deposit in the state treasury and credited to the general fund. A screener-collector position for purposes of this paragraph is an employee whose function is to increase the collection of fines and to review the incomes of potential clients of the public defender, in order to verify eligibility for that service.

(c) No fee is required under this section from the public authority or the party the public authority represents in an action for:

(1) child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court, or in a proceeding under section 484.702;

(2) civil commitment under chapter 253B;

(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525;

(4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery of overpayments of public assistance;

(5) court relief under chapters 260, 260A, 260B, and 260C;

(6) forfeiture of property under sections 169A.63 and 609.531 to 609.5317;

(7) recovery of amounts issued by political subdivisions or public institutions under sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37, 260B.331, and 260C.331, or other sections referring to other forms of public assistance;

(8) restitution under section 611A.04; or

(9) actions seeking monetary relief in favor of the state pursuant to section 16D.14, subdivision 5.

(d) \$20 from each fee collected for child support modifications under subdivision 2, clause (13), must be transmitted to the county treasurer for deposit in the county general fund and \$35 from each fee shall be credited to the state general fund. The fees must be used by the county to pay for child support enforcement efforts by county attorneys.

(e) No fee is required under this section from any federally recognized Indian Tribe or its representative in an action for:

(1) child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court or in a proceeding under section 484.702;

(2) civil commitment under chapter 253B;

(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525; or

(4) court relief under chapters 260, 260A, 260B, 260C, and 260D.

Sec. 4. Minnesota Statutes 2020, section 477A.03, subdivision 2b, is amended to read:

Subd. 2b. **Counties.** (a) For aids payable in 2018 and 2019, the total aid payable under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2020, the total aid payable under section 477A.0124, subdivision 3, is \$116,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2021 through 2024, the total aid payable under section 477A.0124, subdivision 3, is \$118,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is \$115,795,000. ~~Each calendar year, On or before the first installment date provided in section 477A.015, paragraph (a), \$500,000 of this appropriation shall be retained~~ transferred each year by the commissioner of revenue to ~~make reimbursements to the commissioner of management and budget~~ the Board of Public Defense for payments made the payment of service under section 611.27. The reimbursements shall be to defray the additional costs associated with court ordered counsel under section 611.27. Any ~~retained~~ transferred amounts not used for reimbursement ~~expended or encumbered in a fiscal year shall be certified by the Board of Public Defense to the commissioner of revenue on or before October 1 and shall be included in the next distribution certification of county need aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.~~

(b) For aids payable in 2018 and 2019, the total aid under section 477A.0124, subdivision 4, is \$130,873,444. For aids payable in 2020, the total aid under section 477A.0124, subdivision 4, is \$143,873,444. For aids payable in 2021 and thereafter, the total aid under section 477A.0124, subdivision 4, is \$145,873,444. The commissioner of revenue shall transfer to the commissioner of management and budget \$207,000 annually for the cost of preparation of local impact notes as required by section 3.987, and other local government activities. The commissioner of revenue shall transfer to the commissioner of education \$7,000 annually for the cost of preparation of local impact notes for school districts as required by section 3.987. The commissioner of revenue shall deduct the amounts transferred under this paragraph from the appropriation under this paragraph. The amounts transferred are appropriated to the commissioner of management and budget and the commissioner of education respectively.

Sec. 5. Minnesota Statutes 2020, section 484.85, is amended to read:

484.85 DISPOSITION OF FINES, FEES, AND OTHER MONEY; ACCOUNTS; RAMSEY COUNTY DISTRICT COURT.

(a) In all cases prosecuted in Ramsey County District Court by an attorney for a municipality or subdivision of government within Ramsey County for violation of a statute; an ordinance; or a charter provision, rule, or regulation of a city; all fines, penalties, and forfeitures collected by the court administrator shall be deposited in the state

treasury and distributed according to this paragraph. Except where a different disposition is provided by section 299D.03, subdivision 5, or other law, on or before the last day of each month, the court shall pay over all fines, penalties, and forfeitures collected by the court administrator during the previous month as follows:

~~(1) for offenses committed within the city of St. Paul, two-thirds paid to the treasurer of the city of St. Paul municipality or subdivision of government within Ramsey County and one-third credited to the state general fund; and~~

~~(2) for offenses committed within any other municipality or subdivision of government within Ramsey County, one half paid to the treasurer of the municipality or subdivision of government and one half credited to the state general fund.~~

All other fines, penalties, and forfeitures collected by the district court shall be distributed by the courts as provided by law.

(b) Fines, penalties, and forfeitures shall be distributed as provided in paragraph (a) when:

(1) a city contracts with the county attorney for prosecutorial services under section 484.87, subdivision 3; or

(2) the attorney general provides assistance to the city attorney under section 484.87, subdivision 5.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 6. Minnesota Statutes 2020, section 590.01, subdivision 4, is amended to read:

Subd. 4. **Time limit.** (a) No petition for postconviction relief may be filed more than two years after the later of:

(1) the entry of judgment of conviction or sentence if no direct appeal is filed; or

(2) an appellate court's disposition of petitioner's direct appeal.

(b) Notwithstanding paragraph (a), a court may hear a petition for postconviction relief if:

(1) the petitioner establishes that a physical disability or mental disease precluded a timely assertion of the claim;

(2) the petitioner alleges the existence of newly discovered evidence, including scientific evidence, that could not have been ascertained by the exercise of due diligence by the petitioner or petitioner's attorney within the two-year time period for filing a postconviction petition, and the evidence is not cumulative to evidence presented at trial, is not for impeachment purposes, and establishes by a clear and convincing standard that the petitioner is innocent of the offense or offenses for which the petitioner was convicted;

(3) the petitioner asserts a new interpretation of federal or state constitutional or statutory law by either the United States Supreme Court or a Minnesota appellate court and the petitioner establishes that this interpretation is retroactively applicable to the petitioner's case;

(4) the petition is brought pursuant to subdivision 3; ~~or~~

(5) the petitioner establishes to the satisfaction of the court that the petition is not frivolous and is in the interests of justice; ~~or~~

(6) the petitioner is either placed into immigration removal proceedings, or detained for the purpose of removal from the United States, or received notice to report for removal, as a result of a conviction that was obtained by relying on incorrect advice or absent advice from counsel on immigration consequences.

(c) Any petition invoking an exception provided in paragraph (b) must be filed within two years of the date the claim arises.

Sec. 7. Minnesota Statutes 2020, section 611.21, is amended to read:

611.21 SERVICES OTHER THAN COUNSEL.

(a) Counsel appointed by the court for an indigent defendant, or representing a defendant who, at the outset of the prosecution, has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9902(2), may file an ex parte application requesting investigative, expert, interpreter, or other services necessary to an adequate defense in the case. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the services on behalf of the defendant. The court may establish a limit on the amount which may be expended or promised for such services. The court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained, but such ratification shall be given only in unusual situations. The court shall determine reasonable compensation for the services and direct payment by the county in which the prosecution originated, to the organization or person who rendered them, upon the filing of a claim for compensation supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source.

(b) The compensation to be paid to a person for such service rendered to a defendant under this section, or to be paid to an organization for such services rendered by an employee, may not exceed \$1,000, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the court as necessary to provide fair compensation for services of an unusual character or duration and the amount of the excess payment is approved by the chief judge of the district. The chief judge of the judicial district may delegate approval authority to an active district judge.

(c) If the court denies authorizing counsel to obtain services on behalf of the defendant, the court shall make written findings of fact and conclusions of law that state the basis for determining that counsel may not obtain services on behalf of the defendant. When the court issues an order denying counsel the authority to obtain services, the defendant may appeal immediately from that order to the court of appeals and may request an expedited hearing.

Sec. 8. Minnesota Statutes 2020, section 611.27, subdivision 9, is amended to read:

Subd. 9. **Request for other appointment of counsel.** The chief district public defender ~~with the approval of~~ may request that the state public defender ~~may request that the chief judge of the district court, or a district court judge designated by the chief judge,~~ authorize appointment of counsel other than the district public defender in such cases.

Sec. 9. Minnesota Statutes 2020, section 611.27, subdivision 10, is amended to read:

Subd. 10. **Addition of permanent staff.** The chief public defender may not request ~~the court~~ nor may the ~~court~~ order state public defender approve the addition of permanent staff under subdivision 7.

Sec. 10. Minnesota Statutes 2020, section 611.27, subdivision 11, is amended to read:

Subd. 11. **Appointment of counsel.** If the ~~court~~ state public defender finds that the provision of adequate legal representation, including associated services, is beyond the ability of the district public defender to provide, the ~~court shall order~~ state public defender may approve counsel to be appointed, with compensation and expenses to be

paid under the provisions of this subdivision and subdivision 7. Counsel in such cases shall be appointed by the chief district public defender. ~~If the court issues an order denying the request, the court shall make written findings of fact and conclusions of law. Upon denial, the chief district public defender may immediately appeal the order denying the request to the court of appeals and may request an expedited hearing.~~

Sec. 11. Minnesota Statutes 2020, section 611.27, subdivision 13, is amended to read:

Subd. 13. **Correctional facility inmates.** All billings for services rendered and ordered under subdivision 7 shall require the approval of the chief district public defender before being forwarded ~~on a monthly basis~~ to the state public defender. In cases where adequate representation cannot be provided by the district public defender and where counsel has been ~~appointed under a court order approved by the state public defender,~~ the state public defender Board of Public Defense shall forward to the commissioner of management and budget pay all billings for services ~~rendered under the court order. The commissioner shall pay for services~~ from county program aid ~~retained transferred~~ by the commissioner of revenue for that purpose under section 477A.03, subdivision 2b, paragraph (a).

The costs of appointed counsel and associated services in cases arising from new criminal charges brought against indigent inmates who are incarcerated in a Minnesota state correctional facility are the responsibility of the state Board of Public Defense. In such cases the state public defender may follow the procedures outlined in this section for obtaining court-ordered counsel.

Sec. 12. Minnesota Statutes 2020, section 611.27, subdivision 15, is amended to read:

Subd. 15. **Costs of transcripts.** In appeal cases and postconviction cases where the appellate public defender's office does not have sufficient funds to pay for transcripts and other necessary expenses because it has spent or committed all of the transcript funds in its annual budget, the ~~state public defender may forward to the commissioner of management and budget all billings for transcripts and other necessary expenses. The commissioner shall~~ Board of Public Defense may pay for these transcripts and other necessary expenses from county program aid ~~retained transferred~~ by the commissioner of revenue for that purpose under section 477A.03, subdivision 2b, paragraph (a).

ARTICLE 3 VICTIMS; CRIMINAL DEFENDANTS

Section 1. Minnesota Statutes 2020, section 5B.02, is amended to read:

5B.02 DEFINITIONS.

(a) For purposes of this chapter and unless the context clearly requires otherwise, the definitions in this section have the meanings given them.

(b) "Address" means an individual's work address, school address, or residential street address, as specified on the individual's application to be a program participant under this chapter.

(c) "Applicant" means an adult, a parent or guardian acting on behalf of an eligible minor, or a guardian acting on behalf of an incapacitated person, as defined in section 524.5-102.

(d) "Domestic violence" means an act as defined in section 518B.01, subdivision 2, paragraph (a), and includes a threat of such acts committed against an individual in a domestic situation, regardless of whether these acts or threats have been reported to law enforcement officers.

(e) "Eligible person" means an adult, a minor, or an incapacitated person, as defined in section 524.5-102 for whom there is good reason to believe (1) that the eligible person is a victim of domestic violence, sexual assault, or harassment or stalking, or (2) that the eligible person fears for the person's safety, the safety of another person who

resides in the same household, or the safety of persons on whose behalf the application is made. An individual must reside in Minnesota in order to be an eligible person. A person registered or required to register as a predatory offender under section 243.166 or 243.167, or the law of another jurisdiction, is not an eligible person.

(f) "Mail" means first class letters and flats delivered via the United States Postal Service, including priority, express, and certified mail, and excluding ~~packages, parcels, (1) periodicals, and catalogues, and (2) packages and parcels~~ unless they are clearly identifiable as nonrefrigerated pharmaceuticals or clearly indicate that they are sent by the federal government or a state or county government agency of the continental United States, Hawaii, District of Columbia, or United States territories.

(g) "Program participant" means an individual certified as a program participant under section 5B.03.

(h) "Harassment" or "stalking" means acts criminalized under section 609.749 and includes a threat of such acts committed against an individual, regardless of whether these acts or threats have been reported to law enforcement officers.

Sec. 2. Minnesota Statutes 2020, section 5B.05, is amended to read:

5B.05 USE OF DESIGNATED ADDRESS.

(a) When a program participant presents the address designated by the secretary of state to any person or entity, that address must be accepted as the address of the program participant. The person may not require the program participant to submit any address that could be used to physically locate the participant either as a substitute or in addition to the designated address, or as a condition of receiving a service or benefit, unless the service or benefit would be impossible to provide without knowledge of the program participant's physical location. Notwithstanding a person's or entity's knowledge of a program participant's physical location, the person or entity must use the program participant's designated address for all mail correspondence with the program participant.

(b) A program participant may use the address designated by the secretary of state as the program participant's work address.

(c) The Office of the Secretary of State shall forward all mail sent to the designated address to the proper program participants.

(d) If a program participant has notified a person in writing, on a form prescribed by the program, that the individual is a program participant and of the requirements of this section, the person must not knowingly disclose the program participant's name, home address, work address, or school address, unless the person to whom the address is disclosed also lives, works, or goes to school at the address disclosed, or the participant has provided written consent to disclosure of the participant's name, home address, work address, or school address for the purpose for which the disclosure will be made. This paragraph applies to the actions and reports of guardians ad litem, except that guardians ad litem may disclose the program participant's name. This paragraph does not apply to records of the judicial branch governed by rules adopted by the supreme court or government entities governed by section 13.045.

Sec. 3. Minnesota Statutes 2020, section 5B.10, subdivision 1, is amended to read:

Subdivision 1. **Display by landlord.** If a program participant has notified the program participant's landlord in writing that the individual is a program participant and of the requirements of this section, a local ordinance ~~or the landlord~~ must not require the display of, and the landlord shall not display, the program participant's name at an address otherwise protected under this chapter.

Sec. 4. Minnesota Statutes 2020, section 169.99, subdivision 1c, is amended to read:

Subd. 1c. **Notice of surcharge.** All parts of the uniform traffic ticket must ~~give~~ provide conspicuous notice ~~of the fact~~ that, if convicted, the person to whom it was issued ~~must~~ may be required to pay a state-imposed surcharge under section 357.021, subdivision 6, and the current amount of the required surcharge.

EFFECTIVE DATE. This section is effective August 1, 2022. The changes to the uniform traffic ticket described in this section must be reflected on the ticket the next time it is revised.

Sec. 5. Minnesota Statutes 2020, section 169.99, is amended by adding a subdivision to read:

Subd. 1d. **Financial hardship.** The first paragraph on the reverse side of the summons on the uniform traffic ticket must include the following, or substantially similar, language: "All or part of the cost of this summons may be waived on a showing of indigency or undue hardship on you or your family. You may schedule a court appearance to request a waiver based on your ability to pay by calling the Minnesota Court Payment Center (CPC) [followed by the Court Payment Center telephone number]. For more information, call the CPC or visit www.mncourts.gov/fines."

EFFECTIVE DATE. This section is effective August 1, 2022. The changes to the uniform traffic ticket described in this section must be reflected on the ticket the next time it is revised.

Sec. 6. Minnesota Statutes 2020, section 357.021, subdivision 6, is amended to read:

Subd. 6. **Surcharges on criminal and traffic offenders.** (a) Except as provided in this ~~paragraph~~ subdivision, the court shall impose and the court administrator shall collect a \$75 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, other than a violation of a law or ordinance relating to vehicle parking, for which there shall be a \$12 surcharge. When a defendant is convicted of more than one offense in a case, the surcharge shall be imposed only once in that case. In the Second Judicial District, the court shall impose, and the court administrator shall collect, an additional \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The surcharge shall be imposed whether or not the person is sentenced to imprisonment or the sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty misdemeanor for which no fine is imposed.

~~(b) If the court fails to impose a surcharge as required by this subdivision, the court administrator shall show the imposition of the surcharge, collect the surcharge, and correct the record.~~

~~(e) (b) The court may not reduce the amount or waive payment of the surcharge required under this subdivision. Upon on a showing of indigency or undue hardship upon the convicted person or the convicted person's immediate family, the sentencing court may authorize payment of the surcharge in installments. Additionally, the court may permit the defendant to perform community work service in lieu of a surcharge.~~

~~(d) (c) The court administrator or other entity collecting a surcharge shall forward it to the commissioner of management and budget.~~

~~(e) (d) If the convicted person is sentenced to imprisonment and has not paid the surcharge before the term of imprisonment begins, the chief executive officer of the correctional facility in which the convicted person is incarcerated shall collect the surcharge from any earnings the inmate accrues from work performed in the facility or while on conditional release. The chief executive officer shall forward the amount collected to the court administrator or other entity collecting the surcharge imposed by the court.~~

~~(e)~~ (e) A person who enters a diversion program, continuance without prosecution, continuance for dismissal, or stay of adjudication for a violation of chapter 169 must pay the surcharge described in this subdivision. A surcharge imposed under this paragraph shall be imposed only once per case.

~~(f)~~ (f) The surcharge does not apply to administrative citations issued pursuant to section 169.999.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 7. Minnesota Statutes 2020, section 609.101, subdivision 5, is amended to read:

Subd. 5. **Waiver prohibited; reduction and installment payments.** (a) The court may not waive payment of the minimum fine required by this section.

(b) If the defendant qualifies for the services of a public defender or the court finds on the record that the convicted person is indigent or that immediate payment of the fine would create undue hardship for the convicted person or that person's immediate family, the court may reduce the amount of the minimum fine to not less than \$50. Additionally, the court may permit the defendant to perform community work service in lieu of a fine.

(c) The court also may authorize payment of the fine in installments.

(d) Before sentencing a person convicted of a felony, gross misdemeanor, misdemeanor, or petty misdemeanor to pay money for a fine, fee, or surcharge, the court shall make a finding on the record as to indigency or the convicted person's ability to comply with an order to pay without undue hardship for the convicted person or that person's immediate family. In determining indigency or whether the defendant is able to comply with an order to pay a fine, fee, or surcharge without undue hardship to the convicted person or that person's immediate family, the court shall consider:

(1) income;

(2) dependents;

(3) financial resources, including assets and liabilities;

(4) basic living expenses;

(5) receipt of means-tested public assistance program; and

(6) any special circumstances that may bear on the person's ability to pay.

(e) Paragraph (d) shall not apply when a conviction for a violation that is included on the uniform fine schedule authorized under section 609.101, subdivision 4, is entered without a hearing before the court.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 8. **[611A.95] CERTIFICATIONS FOR VICTIMS OF CRIMES.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "certifying entity" means a state or local law enforcement agency;

(2) "criminal activity" means qualifying criminal activity pursuant to section 101(a)(15)(U)(iii) of the Immigration and Nationality Act, and includes the attempt, conspiracy, or solicitation to commit such crimes; and

(3) "certification" means any certification or statement required by federal immigration law including, but not limited to, the information required by United States Code, title 8, section 1184(p), and United States Code, title 8, section 1184(o), including current United States Citizenship and Immigration Services Form I-918, Supplement B, and United States Citizenship and Immigration Services Form I-914, Supplement B, and any successor forms.

Subd. 2. **Certification process.** (a) A certifying entity shall process a certification requested by a victim of criminal activity or a representative of the victim, including but not limited to the victim's attorney, family member, or domestic violence or sexual assault violence advocate, within the time period prescribed in paragraph (b).

(b) A certifying entity shall process the certification within 90 days of request, unless the victim is in removal proceedings, in which case the certification shall be processed within 14 days of request. Requests for expedited certification must be affirmatively raised at the time of the request.

(c) An active investigation, the filing of charges, or a prosecution or conviction are not required for the victim of criminal activity to request and obtain the certification.

Subd. 3. **Certifying entity; designate agent.** (a) The head of a certifying entity shall designate an agent to perform the following responsibilities:

(1) timely process requests for certification;

(2) provide outreach to victims of criminal activity to inform them of the entity's certification process; and

(3) keep a written or electronic record of all certification requests and responses.

(b) All certifying entities shall implement a language access protocol for non-English-speaking victims of criminal activity.

Subd. 4. **Disclosure prohibited; data classification.** (a) A certifying entity is prohibited from disclosing the immigration status of a victim of criminal activity or representative requesting the certification, except to comply with federal law or legal process, or if authorized by the victim of criminal activity or representative requesting the certification.

(b) Data provided to a certifying entity under this section is classified as private data pursuant to section 13.02, subdivision 12.

EFFECTIVE DATE. Subdivisions 1, 2, and 4 are effective the day following final enactment. Subdivision 3 is effective July 1, 2021.

Sec. 9. **[634.045] JAILHOUSE WITNESSES.**

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Benefit" means any plea bargain, bail consideration, reduction or modification of sentence, or any other leniency, immunity, financial payment, reward, or amelioration of current or future conditions of incarceration offered or provided in connection with, or in exchange for, testimony that is offered or provided by a jailhouse witness.

(c) "Jailhouse witness" means a person who (1) while incarcerated, claims to have obtained information from a defendant in a criminal case or a person suspected to be the perpetrator of an offense, and (2) offers or provides testimony concerning statements made by that defendant or person suspected to be the perpetrator of an offense. It does not mean a codefendant or confidential informant who does not provide testimony against a suspect or defendant.

Subd. 2. Use of and benefits provided to jailhouse witnesses; data collection. (a) Each county attorney shall report to the attorney general, in a form determined by the attorney general:

(1) the name of the jailhouse witness and the district court file number of the case in which that witness testified or planned to testify;

(2) the substance and use of any testimony of a jailhouse witness against the interest of a suspect or defendant, regardless of whether such testimony is presented at trial; and

(3) the jailhouse witness's agreement to cooperate with the prosecution and any benefit that the prosecutor has offered or may offer in the future to the jailhouse witness in connection with the testimony.

(b) The attorney general shall maintain a statewide database containing the information received pursuant to paragraph (a) for 20 years from the date that the jailhouse witness information was entered into that statewide record.

(c) Data collected and maintained pursuant to this subdivision are classified as confidential data on individuals, as defined in section 13.02, subdivision 3. Only the attorney general may access the statewide record but shall provide all information held on specific jailhouse witnesses to a county attorney upon request.

Subd. 3. Report on jailhouse witnesses. By September 15 of each year, beginning in 2022, the attorney general shall publish on its website an annual report of the statewide record of jailhouse witnesses required under subdivision 2. Information in the report must be limited to summary data, as defined in section 13.02, subdivision 19, and must include:

(1) the total number of jailhouse witnesses tracked in the statewide record; and

(2) for each county, the number of new reports added pursuant to subdivision 2, paragraph (a), over the previous fiscal year.

Subd. 4. Disclosure of information regarding jailhouse witness. (a) In addition to the requirements for disclosures under rule 9 of the Rules of Criminal Procedure, and within the timeframes established by that rule, a prosecutor must disclose the following information to the defense about any jailhouse witness:

(1) the complete criminal history of the jailhouse witness, including any charges that are pending or were reduced or dismissed as part of a plea bargain;

(2) any cooperation agreement with the jailhouse witness and any deal, promise, inducement, or benefit that the state has made or intends to make in the future to the jailhouse witness;

(3) whether, at any time, the jailhouse witness recanted any testimony or statement implicating the suspect or defendant in the charged crime and, if so, the time and place of the recantation, the nature of the recantation, and the names of the persons who were present at the recantation;

(4) whether, at any time, the jailhouse witness made a statement implicating any other person in the charged crime and, if so, the time and place of the statement, the nature of the statement, and the names of the persons who were present at the statement; and

(5) information concerning other criminal cases in which the jailhouse witness has testified, or offered to testify, against a suspect or defendant with whom the jailhouse witness was imprisoned or confined, including any cooperation agreement, deal, promise, inducement, or benefit that the state has made or intends to make in the future to the jailhouse witness.

(b) A prosecutor has a continuing duty of disclosure before and during trial. If, after the omnibus hearing held pursuant to rule 11 of the Rules of Criminal Procedure, a prosecutor discovers additional material, information, or witnesses subject to disclosure under this subdivision, the prosecutor must promptly notify the court and defense counsel, or, if the defendant is not represented, the defendant, of what was discovered. If the court finds that the jailhouse witness was not known or that materials in paragraph (a) could not be discovered or obtained by the state within that period with the exercise of due diligence, the court may order that disclosure take place within a reasonable period. Upon good cause shown, the court may continue the proceedings.

(c) If the prosecutor files a written certificate with the trial court that disclosing the information described in paragraph (a) would subject the jailhouse witness or other persons to physical harm or coercion, the court may order that the information must be disclosed to the defendant's counsel but may limit disclosure to the defendant in a way that does not unduly interfere with the defendant's right to prepare and present a defense, including limiting disclosure to nonidentifying information.

Subd. 5. **Victim notification.** (a) A prosecutor shall make every reasonable effort to notify a victim if the prosecutor has decided to offer or provide any of the following to a jailhouse witness in exchange for, or as the result of, a jailhouse witness offering or providing testimony against a suspect or defendant:

- (1) reduction or dismissal of charges;
- (2) a plea bargain;
- (3) support for a modification of the amount or conditions of bail; or
- (4) support for a motion to reduce or modify a sentence.

(b) Efforts to notify the victim should include, in order of priority: (1) contacting the victim or a person designated by the victim by telephone; and (2) contacting the victim by mail. If a jailhouse witness is still in custody, the notification attempt shall be made before the jailhouse witness is released from custody.

(c) Whenever a prosecutor notifies a victim of domestic assault, criminal sexual conduct, or harassment or stalking under this section, the prosecutor shall also inform the victim of the method and benefits of seeking an order for protection under section 518B.01 or a restraining order under section 609.748 and that the victim may seek an order without paying a fee.

(d) The notification required under this subdivision is in addition to the notification requirements and rights described in sections 611A.03, 611A.0315, 611A.039, and 611A.06.

EFFECTIVE DATE. This section is effective August 1, 2021.

ARTICLE 4 HUMAN RIGHTS LAW

Section 1. Minnesota Statutes 2020, section 13.552, is amended by adding a subdivision to read:

Subd. 8. **Certificate of compliance for public contracts.** Access to data relating to certificates of compliance for public contracts is governed by section 363A.36.

Sec. 2. **[62A.082] NONDISCRIMINATION IN ACCESS TO TRANSPLANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given unless the context clearly requires otherwise.

(b) "Disability" has the meaning given in section 363A.03, subdivision 12.

(c) "Enrollee" means a natural person covered by a health plan or group health plan and includes an insured, policy holder, subscriber, covered person, member, contract holder, or certificate holder.

(d) "Organ transplant" means the transplantation or transfusion of a part of a human body into the body of another for the purpose of treating or curing a medical condition.

Subd. 2. **Transplant discrimination prohibited.** A health plan or group health plan that provides coverage for anatomical gifts, organ transplants, or related treatment and services shall not:

(1) deny coverage to an enrollee based on the enrollee's disability;

(2) deny eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the health plan or group health plan solely for the purpose of avoiding the requirements of this section;

(3) penalize or otherwise reduce or limit the reimbursement of a health care provider, or provide monetary or nonmonetary incentives to a health care provider, to induce the provider to provide care to a patient in a manner inconsistent with this section; or

(4) reduce or limit an enrollee's coverage benefits because of the enrollee's disability for medical services and other services related to organ transplantation performed pursuant to this section as determined in consultation with the enrollee's treating health care provider and the enrollee.

Subd. 3. **Collective bargaining.** In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers, any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement imposed pursuant to this section shall not be treated as a termination of the collective bargaining agreement.

Subd. 4. **Coverage limitation.** Nothing in this section shall be deemed to require a health plan or group health plan to provide coverage for a medically inappropriate organ transplant.

Sec. 3. Minnesota Statutes 2020, section 363A.02, subdivision 1, is amended to read:

Subdivision 1. **Freedom from discrimination.** (a) It is the public policy of this state to secure for persons in this state, freedom from discrimination:

(1) in employment because of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, familial status, and age;

(2) in housing and real property because of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status;

(3) in public accommodations because of race, color, creed, religion, national origin, sex, sexual orientation, and disability;

(4) in public services because of race, color, creed, religion, national origin, sex, marital status, disability, sexual orientation, and status with regard to public assistance; and

(5) in education because of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and age.

(b) Such discrimination threatens the rights and privileges of the inhabitants of this state and menaces the institutions and foundations of democracy. It is also the public policy of this state to protect all persons from wholly unfounded charges of discrimination. Nothing in this chapter shall be interpreted as restricting the implementation of positive action programs to combat discrimination.

Sec. 4. Minnesota Statutes 2020, section 363A.06, subdivision 1, is amended to read:

Subdivision 1. **Formulation of policies.** (a) The commissioner shall formulate policies to effectuate the purposes of this chapter and shall do the following:

(1) exercise leadership under the direction of the governor in the development of human rights policies and programs, and make recommendations to the governor and the legislature for their consideration and implementation;

(2) establish and maintain a principal office in St. Paul, and any other necessary branch offices at any location within the state;

(3) meet and function at any place within the state;

(4) employ attorneys, clerks, and other employees and agents as the commissioner may deem necessary and prescribe their duties;

(5) to the extent permitted by federal law and regulation, utilize the records of the Department of Employment and Economic Development of the state when necessary to effectuate the purposes of this chapter;

(6) obtain upon request and utilize the services of all state governmental departments and agencies;

(7) adopt suitable rules for effectuating the purposes of this chapter;

(8) issue complaints, receive and investigate charges alleging unfair discriminatory practices, and determine whether or not probable cause exists for hearing;

(9) subpoena witnesses, administer oaths, take testimony, and require the production for examination of any books or papers relative to any matter under investigation or in question as the commissioner deems appropriate to carry out the purposes of this chapter;

(10) attempt, by means of education, conference, conciliation, and persuasion to eliminate unfair discriminatory practices as being contrary to the public policy of the state;

(11) develop and conduct programs of formal and informal education designed to eliminate discrimination and intergroup conflict by use of educational techniques and programs the commissioner deems necessary;

(12) make a written report of the activities of the commissioner to the governor each year;

(13) accept gifts, bequests, grants, or other payments public and private to help finance the activities of the department;

(14) create such local and statewide advisory committees as will in the commissioner's judgment aid in effectuating the purposes of the Department of Human Rights;

(15) develop such programs as will aid in determining the compliance throughout the state with the provisions of this chapter, and in the furtherance of such duties, conduct research and study discriminatory practices based upon race, color, creed, religion, national origin, sex, age, disability, marital status, status with regard to public assistance, familial status, sexual orientation, or other factors and develop accurate data on the nature and extent of discrimination and other matters as they may affect housing, employment, public accommodations, schools, and other areas of public life;

(16) develop and disseminate technical assistance to persons subject to the provisions of this chapter, and to agencies and officers of governmental and private agencies;

(17) provide staff services to such advisory committees as may be created in aid of the functions of the Department of Human Rights;

(18) make grants in aid to the extent that appropriations are made available for that purpose in aid of carrying out duties and responsibilities; ~~and~~

(19) cooperate and consult with the commissioner of labor and industry regarding the investigation of violations of, and resolution of complaints regarding section 363A.08, subdivision 7;

(20) collaborate and consult with the Board of Peace Officer Standards and Training regarding the training of peace officers in identifying, responding to, and reporting crimes motivated by bias pursuant to sections 626.8451, subdivision 1, and 626.8469, including but not limited to the duty of peace officers to report crimes motivated by bias under section 626.5531; and

(21) solicit, receive, and compile reports from community organizations, school districts and charter schools, and individuals regarding crimes a community member or community organization believes are motivated by the victim's or another's actual or perceived race, color, ethnicity, religion, sex, gender, sexual orientation, gender identity, gender expression, age, national origin, marital status, status with regard to public assistance, familial status, or disability as defined in section 363A.03, or because of the victim's actual or perceived association with another person or group of a certain actual or perceived race, color, ethnicity, religion, sex, gender, sexual orientation, gender identity, gender expression, age, national origin, or disability as defined in section 363A.03, and develop data on the nature and extent of crimes motivated by bias and include this information in the report required under clause (12). The commissioner shall provide information on the department's website about when and how a victim reports criminal conduct to a law enforcement agency.

In performing these duties, the commissioner shall give priority to those duties in clauses (8), (9), and (10) and to the duties in section 363A.36.

(b) All gifts, bequests, grants, or other payments, public and private, accepted under paragraph (a), clause (13), must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner of human rights to help finance activities of the department.

Sec. 5. Minnesota Statutes 2020, section 363A.08, subdivision 6, is amended to read:

Subd. 6. **Reasonable accommodation.** (a) Except when based on a bona fide occupational qualification, it is an unfair employment practice for an employer with a number of part-time or full-time employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year equal to or greater than 25 effective July 1, 1992, and equal to or greater than 15 effective July 1, 1994, an employment agency, or a labor organization, not to ~~make provide a~~ reasonable accommodation ~~to the known disability of a qualified disabled person or job applicant for a job applicant or qualified employee with a disability~~ unless the employer, agency, or organization can demonstrate that the accommodation would impose an undue hardship on the business, agency, or

organization. "Reasonable accommodation" means steps which must be taken to accommodate the known physical or mental limitations of a qualified ~~disabled person~~ individual with a disability. To determine the appropriate reasonable accommodation the employer, agency, or organization shall initiate an informal, interactive process with the individual with a disability in need of the accommodation. This process should identify the limitations resulting from the disability and any potential reasonable accommodations that could overcome those limitations. "Reasonable accommodation" may include but is not limited to, nor does it necessarily require: (1) making facilities readily accessible to and usable by ~~disabled persons~~ individuals with disabilities; and (2) job restructuring, modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, and the provision of aides on a temporary or periodic basis.

(b) In determining whether an accommodation would impose an undue hardship on the operation of a business or organization, factors to be considered include:

(1) the overall size of the business or organization with respect to number of employees or members and the number and type of facilities;

(2) the type of the operation, including the composition and structure of the work force, and the number of employees at the location where the employment would occur;

(3) the nature and cost of the needed accommodation;

(4) the reasonable ability to finance the accommodation at each site of business; and

(5) documented good faith efforts to explore less restrictive or less expensive alternatives, including consultation with the disabled person or with knowledgeable disabled persons or organizations.

A prospective employer need not pay for an accommodation for a job applicant if it is available from an alternative source without cost to the employer or applicant.

Sec. 6. Minnesota Statutes 2020, section 363A.08, is amended by adding a subdivision to read:

Subd. 8. Inquiries into pay history prohibited. (a) "Pay history" as used in this subdivision means any prior or current wage, salary, earnings, benefits, or any other compensation about an applicant for employment.

(b) An employer, employment agency, or labor organization shall not inquire into, consider, or require disclosure from any source the pay history of an applicant for employment for the purpose of determining wages, salary, earnings, benefits, or other compensation for that applicant. There is a rebuttable presumption that use of pay history received on an applicant for employment to determine the future wages, salary, earnings, benefits, or other compensation for that applicant is an unfair discriminatory employment practice under subdivisions 1 to 3. The general prohibition against inquiring into the pay history of an applicant does not apply if the job applicant's pay history is a matter of public record under federal or state law, unless the employer, employment agency, or labor organization sought access to those public records with the intent of obtaining pay history of the applicant for the purpose of determining wages, salary, earnings, benefits, or other compensation for that applicant.

(c) Nothing in this subdivision shall prevent an applicant for employment from voluntarily and without prompting disclosing pay history for the purposes of negotiating wages, salary, benefits, or other compensation. If an applicant for employment voluntarily and without prompting discloses pay history to a prospective employer, employment agency, or labor organization, nothing in this subdivision shall prohibit that employer, employment agency, or labor organization from considering or acting on that voluntarily disclosed salary history information to support a wage or salary higher than initially offered by the employer, employment agency, or labor organization.

(d) Nothing in this subdivision limits, prohibits, or prevents a person from bringing a charge, grievance, or any other cause of action alleging wage discrimination because of race, color, creed, religion, national origin, sex, gender identity, marital status, status with regard to public assistance, familial status, membership or activity in a local commission, disability, sexual orientation, or age, as otherwise provided in this chapter.

(e) Nothing in this subdivision shall be construed to prevent an employer from:

(1) providing information about the wages, benefits, compensation, or salary offered in relation to a position; or

(2) inquiring about or otherwise engaging in discussions with an applicant about the applicant's expectations or requests with respect to wages, salary, benefits, or other compensation.

EFFECTIVE DATE. This section is effective January 1, 2022. For employment covered by collective bargaining agreements, this section is not effective until the date of implementation of the applicable collective bargaining agreement that is after January 1, 2022.

Sec. 7. Minnesota Statutes 2020, section 363A.09, subdivision 1, is amended to read:

Subdivision 1. **Real property interest; action by owner, lessee, and others.** It is an unfair discriminatory practice for an owner, lessee, sublessee, assignee, or managing agent of, or other person having the right to sell, rent or lease any real property, or any agent of any of these:

(1) to refuse to sell, rent, or lease or otherwise deny to or withhold from any person or group of persons any real property because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status; or

(2) to discriminate against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status in the terms, conditions or privileges of the sale, rental or lease of any real property or in the furnishing of facilities or services in connection therewith, except that nothing in this clause shall be construed to prohibit the adoption of reasonable rules intended to protect the safety of minors in their use of the real property or any facilities or services furnished in connection therewith; or

(3) in any transaction involving real property, to print, circulate or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental or lease of real property, or make any record or inquiry in connection with the prospective purchase, rental, or lease of real property which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status, or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this section prohibiting discrimination because of familial status do not apply to the dwelling unit.

Sec. 8. Minnesota Statutes 2020, section 363A.09, subdivision 2, is amended to read:

Subd. 2. **Real property interest; action by brokers, agents, and others.** (a) It is an unfair discriminatory practice for a real estate broker, real estate salesperson, or employee, or agent thereof:

(1) to refuse to sell, rent, or lease or to offer for sale, rental, or lease any real property to any person or group of persons or to negotiate for the sale, rental, or lease of any real property to any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in

or requirements of a public assistance program, disability, sexual orientation, or familial status or represent that real property is not available for inspection, sale, rental, or lease when in fact it is so available, or otherwise deny or withhold any real property or any facilities of real property to or from any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status; or

(2) to discriminate against any person because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status in the terms, conditions or privileges of the sale, rental or lease of real property or in the furnishing of facilities or services in connection therewith; or

(3) to print, circulate, or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental, or lease of any real property or make any record or inquiry in connection with the prospective purchase, rental or lease of any real property, which expresses directly or indirectly, any limitation, specification or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, participation in or requirements of a public assistance program, disability, sexual orientation, or familial status or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this section prohibiting discrimination because of familial status do not apply to the dwelling unit.

(b) It is an unfair discriminatory practice for a landlord to furnish credit, services, or rental accommodations that discriminate against any individual who is a recipient of federal, state, or local public assistance, including medical assistance, or who is a tenant receiving federal, state, or local housing subsidies, including rental assistance or rental supplements, because the individual is such a recipient, or because of any requirement of such public assistance, rental assistance, or housing subsidy program.

Sec. 9. Minnesota Statutes 2020, section 363A.09, is amended by adding a subdivision to read:

Subd. 2a. **Definition; public assistance program.** For the purposes of this section, "public assistance program" means federal, state, or local assistance, including but not limited to rental assistance, rent supplements, and housing choice vouchers.

Sec. 10. Minnesota Statutes 2020, section 363A.28, subdivision 1, is amended to read:

Subdivision 1. **Actions.** Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363A.33, subdivision 1, or may file a verified charge with the commissioner or the commissioner's designated agent. A charge filed with the commissioner must be in writing by hand, or electronically with an unsworn declaration under penalty of perjury, on a form provided by the commissioner and signed by the charging party. The charge must state the name of the person alleged to have committed an unfair discriminatory practice and set out a summary of the details of the practice complained of. The commissioner may require a charging party to provide the address of the person alleged to have committed the unfair discriminatory practice, names of witnesses, documents, and any other information necessary to process the charge. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within ten days of the filing shall serve a copy of the charge and a form for use in responding to the charge upon the respondent personally, electronically with the receiving party's consent, or by mail. The respondent shall file with the department a written response setting out a summary of the details of the respondent's position relative to the charge within ~~20~~ 30 days of receipt of the charge. If the respondent fails to respond with a written summary of the details of the respondent's position within 30 days after service of the charge, and service was consistent with rule 4 of the Rules of Civil Procedure, the commissioner, on behalf of the complaining party, may bring an action for default in district court pursuant to rule 55.01 of the Rules of Civil Procedure.

Sec. 11. Minnesota Statutes 2020, section 363A.28, subdivision 6, is amended to read:

Subd. 6. **Charge processing.** (a) Consistent with paragraph (h), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when a charge alleges actual or threatened physical violence. The commissioner shall also make an ~~immediate~~ inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges.

(b) The commissioner shall give priority to investigating and processing those charges, in the order below, which the commissioner determines have the following characteristics:

- (1) there is evidence of irreparable harm if immediate action is not taken;
- (2) there is evidence that the respondent has intentionally engaged in a reprisal;
- (3) a significant number of recent charges have been filed against the respondent;
- (4) the respondent is a government entity;
- (5) there is potential for broadly promoting the policies of this chapter; or
- (6) the charge is supported by substantial and credible documentation, witnesses, or other evidence.

The commissioner shall inform charging parties of these priorities and shall tell each party if their charge is a priority case or not.

On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices.

(c) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ~~ten~~ 30 days after receipt of notice, the charging party may request in writing, on forms prepared by the department, that the commissioner reconsider the determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall reaffirm, reverse, or vacate and remand for further consideration the determination of no probable cause within 20 days after receipt of the request for reconsideration, and shall within ten days notify in writing the charging party and respondent of the decision to reaffirm, reverse, or vacate and remand for further consideration.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section ~~363A.36~~ 363A.34 or sections 14.63 to 14.68.

(d) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and the respondent's attorney if the respondent is represented by counsel, by first class mail, or electronically with the receiving party's consent, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. Within 30 days after receipt of notice, the respondent may request in writing, on forms prepared by the department, that the commissioner reconsider the determination. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 8 have been or would be unsuccessful or unproductive, the commissioner ~~shall~~ may issue a complaint and serve on the respondent, by registered or certified mail, or electronically with the receiving party's consent, a

written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before an administrative law judge at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(e) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining the respondent from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. Except as modified by subdivisions 1 to 9 and section 363A.06, subdivision 4, the Minnesota Rules of Civil Procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under subdivisions 1 to 9 and section 363A.06, subdivision 4, shall be given precedence as nearly as practicable over all other pending civil actions.

(f) If a lessor, after engaging in a discriminatory practice defined in section 363A.09, subdivision 1, clause (1), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in subdivisions 1 to 9 and section 363A.06, subdivision 4, requiring the person to be evicted from the dwelling unit.

(g) In any complaint issued under subdivisions 1 to 9 and section 363A.06, subdivision 4, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date one year prior to the filing of the charge from which the complaint originates.

(h) The commissioner may adopt policies to determine which charges are processed and the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.

(i) The chief administrative law judge shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.

Sec. 12. Minnesota Statutes 2020, section 363A.31, subdivision 2, is amended to read:

Subd. 2. **Rescission of waiver.** A waiver or release of rights or remedies secured by this chapter which purports to apply to claims arising out of acts or practices prior to, or concurrent with, the execution of the waiver or release may be rescinded within 15 calendar days of its execution, except that a waiver or release given in settlement of a claim filed with the department or with another administrative agency or judicial body is valid and final upon execution. A waiving or releasing party shall be informed in writing of the right to rescind the waiver or release. To be effective, the rescission must be in writing and delivered to the waived or released party ~~either~~ by hand, electronically with the receiving party's consent, or by mail within the 15-day period. If delivered by mail, the rescission must be:

- (1) postmarked within the 15-day period;
- (2) properly addressed to the waived or released party; and
- (3) sent by certified mail return receipt requested.

Sec. 13. Minnesota Statutes 2020, section 363A.33, subdivision 3, is amended to read:

Subd. 3. **Summons and complaints in a civil action.** A charging party bringing a civil action shall mail by registered or certified mail, ~~or electronically with the receiving party's consent,~~ a copy of the summons and complaint to the commissioner, and upon their receipt the commissioner shall terminate all proceedings in the department relating to the charge. No charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Sec. 14. Minnesota Statutes 2020, section 363A.36, subdivision 1, is amended to read:

Subdivision 1. **Scope of application.** (a) ~~For all contracts for goods and services in excess of \$100,000, no department or agency of the state shall accept any bid or proposal for a contract or agreement from any business having more than 40 full time employees within this state on a single working day during the previous 12 months, unless the commissioner is in receipt of the business' affirmative action plan for the employment of minority persons, women, and qualified disabled individuals. No department or agency of the state shall execute any such contract or agreement until the affirmative action plan has been approved by the commissioner. Receipt of a certificate of compliance issued by the commissioner shall signify that a firm or business has an affirmative action plan that has been approved by the commissioner. A certificate shall be valid for a period of four years. No department, agency of the state, the Metropolitan Council, or agency subject to section 473.143, subdivision 1, shall execute a contract for goods or services in excess of \$100,000 with a business that has 40 or more full-time employees in this state or a state where the business has its primary place of business on a single day during the prior 12 months, unless the business has a workforce certificate from the commissioner of human rights or has certified in writing that it is exempt. Determinations of exempt status shall be made by the commissioner of human rights. A certificate is valid for four years. A municipality as defined in section 466.01, subdivision 1, that receives state money for any reason is encouraged to prepare and implement an affirmative action plan for the employment of minority persons, people with disabilities, people of color, and women, and the qualified disabled and to submit the plan to the commissioner.~~

~~(b) This paragraph applies to a contract for goods or services in excess of \$100,000 to be entered into between a department or agency of the state and a business that is not subject to paragraph (a), but that has more than 40 full time employees on a single working day during the previous 12 months in the state where the business has its primary place of business. A department or agency of the state may not execute a contract or agreement with a business covered by this paragraph unless the business has a certificate of compliance issued by the commissioner under paragraph (a) or the business certifies that it is in compliance with federal affirmative action requirements.~~

~~(c) (b) This section does not apply to contracts entered into by the State Board of Investment for investment options under section 356.645.~~

~~(d) (c) The commissioner shall issue a certificate of compliance or notice of denial within 15 days of the application submitted by the business or firm.~~

EFFECTIVE DATE. This section is effective June 1, 2021, and applies to contracts entered into on or after that date.

Sec. 15. Minnesota Statutes 2020, section 363A.36, subdivision 2, is amended to read:

Subd. 2. **Filing fee; account; appropriation.** The commissioner shall collect a ~~\$150~~ \$250 fee for each certificate of compliance issued by the commissioner or the commissioner's designated agent. The proceeds of the fee must be deposited in a human rights fee special revenue account. Money in the account is appropriated to the commissioner to fund the cost of issuing certificates and investigating grievances.

Sec. 16. Minnesota Statutes 2020, section 363A.36, subdivision 3, is amended to read:

Subd. 3. ~~Revocation of certificate~~ **Violations; remedies.** Certificates of compliance may be suspended or revoked by the commissioner if a holder of a certificate has not made a good faith effort to implement an affirmative action plan that has been approved by the commissioner. If a contractor does not effectively implement an affirmative action plan approved by the commissioner pursuant to subdivision 1, or fails to make a good faith effort to do so, the commissioner may refuse to approve subsequent plans submitted by that firm or business. The commissioner may impose fines or actions as follows:

(1) issue fines up to \$5,000 per violation; and

(2) suspend or revoke a certificate of compliance until the contractor has paid all outstanding fines and otherwise complies with this section.

EFFECTIVE DATE. This section is effective July 1, 2021, for all current and future certificate holders.

Sec. 17. Minnesota Statutes 2020, section 363A.36, subdivision 4, is amended to read:

Subd. 4. **Revocation of contract.** A contract awarded by a department or agency of the state, the Metropolitan Council, or an agency subject to section 473.143, subdivision 1, may be terminated or abridged by the ~~department or agency~~ awarding entity because of suspension or revocation of a certificate based upon a contractor's failure to implement or make a good faith effort to implement an affirmative action plan approved by the commissioner under this section. If a contract is awarded to a person who does not have a contract compliance certificate required under subdivision 1, the commissioner may void the contract on behalf of the state.

EFFECTIVE DATE. This section is effective June 1, 2021, and applies to contracts entered into on or after that date.

Sec. 18. Minnesota Statutes 2020, section 363A.36, is amended by adding a subdivision to read:

Subd. 6. **Access to data.** Data submitted to the commissioner related to a certificate of compliance are private data on individuals or nonpublic data with respect to persons other than department employees. The commissioner's decision to issue, not issue, revoke, or suspend or otherwise penalize a certificate holder of a certificate of compliance is public data. Applications, forms, or similar documents submitted by a business seeking a certificate of compliance are public data. The commissioner may disclose data classified as private or nonpublic under this subdivision to other state agencies, statewide systems, and political subdivisions for the purposes of achieving compliance with this section.

Sec. 19. Minnesota Statutes 2020, section 363A.44, subdivision 2, is amended to read:

Subd. 2. **Application.** (a) A business shall apply for an equal pay certificate by paying a ~~\$150~~ \$250 filing fee and submitting an equal pay compliance statement to the commissioner. The proceeds from the fees collected under this subdivision shall be deposited in an equal pay certificate special revenue account. Money in the account is appropriated to the commissioner for the purposes of this section. The commissioner shall issue an equal pay certificate of compliance to a business that submits to the commissioner a statement signed by the chairperson of the board or chief executive officer of the business:

(1) that the business is in compliance with Title VII of the Civil Rights Act of 1964, Equal Pay Act of 1963, Minnesota Human Rights Act, and Minnesota Equal Pay for Equal Work Law;

(2) that the average compensation for its female employees is not consistently below the average compensation for its male employees within each of the major job categories in the EEO-1 employee information report for which an employee is expected to perform work under the contract, taking into account factors such as length of service, requirements of specific jobs, experience, skill, effort, responsibility, working conditions of the job, or other mitigating factors;

(3) that the business does not restrict employees of one sex to certain job classifications and makes retention and promotion decisions without regard to sex;

(4) that wage and benefit disparities are corrected when identified to ensure compliance with the laws cited in clause (1) and with clause (2); and

(5) how often wages and benefits are evaluated to ensure compliance with the laws cited in clause (1) and with clause (2).

(b) The equal pay compliance statement shall also indicate whether the business, in setting compensation and benefits, utilizes:

(1) a market pricing approach;

(2) state prevailing wage or union contract requirements;

(3) a performance pay system;

(4) an internal analysis; or

(5) an alternative approach to determine what level of wages and benefits to pay its employees. If the business uses an alternative approach, the business must provide a description of its approach.

(c) Receipt of the equal pay compliance statement by the commissioner does not establish compliance with the laws set forth in paragraph (a), clause (1).

Sec. 20. Minnesota Statutes 2020, section 363A.44, subdivision 4, is amended to read:

Subd. 4. ~~Revocation of certificate~~ **Violations; remedies.** An equal pay certificate for a business may be suspended or revoked by the commissioner when the business fails to make a good-faith effort to comply with the laws identified in subdivision 2, paragraph (a), clause (1), fails to make a good-faith effort to comply with this section, or has multiple violations of this section or the laws identified in subdivision 2, paragraph (a), clause (1). The commissioner may also issue a fine due to lack of compliance with this section of up to \$5,000 per violation. The commissioner may suspend or revoke an equal pay certificate until the business has paid all outstanding fines and otherwise complies with this section. Prior to issuing a fine or suspending or revoking a certificate, the commissioner must first have sought to conciliate with the business regarding wages and benefits due to employees.

EFFECTIVE DATE. This section is effective July 1, 2021, for all current and future certificate holders.

Sec. 21. Minnesota Statutes 2020, section 363A.44, subdivision 9, is amended to read:

Subd. 9. **Access to data.** Data submitted to the commissioner related to equal pay certificates are private data on individuals or nonpublic data with respect to persons other than department employees. The commissioner's decision to issue, not issue, revoke, or suspend or otherwise penalize a certificate holder of an equal pay certificate is public data. Applications, forms, or similar documents submitted by a business seeking an equal pay certificate are public data. The commissioner may disclose data classified as private or nonpublic under this subdivision to other state agencies, statewide systems, and political subdivisions for the purposes of achieving compliance with this section.

Sec. 22. **[363A.50] NONDISCRIMINATION IN ACCESS TO TRANSPLANTS.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given unless the context clearly requires otherwise.

(b) "Anatomical gift" has the meaning given in section 525A.02, subdivision 4.

(c) "Auxiliary aids and services" include, but are not limited to:

(1) qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments;

(2) qualified readers, taped texts, texts in accessible electronic format, or other effective methods of making visually delivered materials available to individuals with visual impairments;

(3) the provision of information in a format that is accessible for individuals with cognitive, neurological, developmental, intellectual, or physical disabilities;

(4) the provision of supported decision-making services; and

(5) the acquisition or modification of equipment or devices.

(d) "Covered entity" means:

(1) any licensed provider of health care services, including licensed health care practitioners, hospitals, nursing facilities, laboratories, intermediate care facilities, psychiatric residential treatment facilities, institutions for individuals with intellectual or developmental disabilities, and prison health centers; or

(2) any entity responsible for matching anatomical gift donors to potential recipients.

(e) "Disability" has the meaning given in section 363A.03, subdivision 12.

(f) "Organ transplant" means the transplantation or infusion of a part of a human body into the body of another for the purpose of treating or curing a medical condition.

(g) "Qualified individual" means an individual who, with or without available support networks, the provision of auxiliary aids and services, or reasonable modifications to policies or practices, meets the essential eligibility requirements for the receipt of an anatomical gift.

(h) "Reasonable modifications" include, but are not limited to:

(1) communication with individuals responsible for supporting an individual with postsurgical and post-transplantation care, including medication; and

(2) consideration of support networks available to the individual, including family, friends, and home and community-based services, including home and community-based services funded through Medicaid, Medicare, another health plan in which the individual is enrolled, or any program or source of funding available to the individual, in determining whether the individual is able to comply with post-transplant medical requirements.

(i) "Supported decision making" has the meaning given in section 524.5-102, subdivision 16a.

Subd. 2. Prohibition of discrimination. (a) A covered entity may not, on the basis of a qualified individual's mental or physical disability:

(1) deem an individual ineligible to receive an anatomical gift or organ transplant;

(2) deny medical or related organ transplantation services, including evaluation, surgery, counseling, and postoperative treatment and care;

(3) refuse to refer the individual to a transplant center or other related specialist for the purpose of evaluation or receipt of an anatomical gift or organ transplant;

(4) refuse to place an individual on an organ transplant waiting list or place the individual at a lower-priority position on the list than the position at which the individual would have been placed if not for the individual's disability; or

(5) decline insurance coverage for any procedure associated with the receipt of the anatomical gift or organ transplant, including post-transplantation and postinfusion care.

(b) Notwithstanding paragraph (a), a covered entity may take an individual's disability into account when making treatment or coverage recommendations or decisions, solely to the extent that the physical or mental disability has been found by a physician, following an individualized evaluation of the potential recipient, to be medically significant to the provision of the anatomical gift or organ transplant. The provisions of this section may not be deemed to require referrals or recommendations for, or the performance of, organ transplants that are not medically appropriate given the individual's overall health condition.

(c) If an individual has the necessary support system to assist the individual in complying with post-transplant medical requirements, an individual's inability to independently comply with those requirements may not be deemed to be medically significant for the purposes of paragraph (b).

(d) A covered entity must make reasonable modifications to policies, practices, or procedures, when such modifications are necessary to make services such as transplantation-related counseling, information, coverage, or treatment available to qualified individuals with disabilities, unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such services.

(e) A covered entity must take such steps as may be necessary to ensure that no qualified individual with a disability is denied services such as transplantation-related counseling, information, coverage, or treatment because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would fundamentally alter the nature of the services being offered or result in an undue burden. A covered entity is not required to provide supported decision-making services.

(f) A covered entity must otherwise comply with the requirements of Titles II and III of the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments Act of 2008, and the Minnesota Human Rights Act.

(g) The provisions of this section apply to each part of the organ transplant process.

Subd. 3. Remedies. In addition to all other remedies available under this chapter, any individual who has been subjected to discrimination in violation of this section may initiate a civil action in a court of competent jurisdiction to enjoin violations of this section.

ARTICLE 5
CIVIL LAW

Section 1. Minnesota Statutes 2020, section 357.17, is amended to read:

357.17 NOTARIES PUBLIC.

(a) The maximum fees to be charged and collected by a notary public shall be as follows:

(1) for protest of nonpayment of note or bill of exchange or of nonacceptance of such bill; where protest is legally necessary, and copy thereof, \$5;

(2) for every other protest and copy, \$5;

(3) for making and serving every notice of nonpayment of note or nonacceptance of bill and copy thereof, \$5;

(4) for any affidavit or paper for which provision is not made herein, \$5 per folio, and \$1 per folio for copies;

(5) for each oath administered, \$5;

(6) for acknowledgments of deeds and for other services authorized by law, the legal fees allowed other officers for like services;

(7) for recording each instrument required by law to be recorded by the notary, \$5 per folio.

(b) A notary public may charge a fee for performing a marriage in excess of the fees in paragraph (a) if the notary is commissioned pursuant to chapter 359.

Sec. 2. Minnesota Statutes 2020, section 359.04, is amended to read:

359.04 POWERS.

Every notary public so appointed, commissioned, and qualified shall have power throughout this state to administer all oaths required or authorized to be administered in this state; to take and certify all depositions to be used in any of the courts of this state; to take and certify all acknowledgments of deeds, mortgages, liens, powers of attorney, and other instruments in writing or electronic records; to receive, make out, and record notarial protests; to perform civil marriages consistent with this chapter and chapter 517; and to perform online remote notarial acts in compliance with the requirements of sections 358.645 and 358.646.

Sec. 3. **[359.115] CIVIL MARRIAGE OFFICIANT.**

A notary public shall have the power to solemnize civil marriages throughout the state if the notary public has filed a copy of the notary public's notary commission with the local registrar of a county in this state. When a local registrar records a commission for a notary public, the local registrar shall provide a certificate of filing to the notary whose commission is recorded. A notary public shall endorse and record the county where the notary public's commission is recorded upon each certificate of civil marriage granted by the notary.

Sec. 4. Minnesota Statutes 2020, section 514.977, is amended to read:

514.977 ~~DEFAULT~~ ADDITIONAL REMEDIES.

Subdivision 1. **Default; breach of rental agreement.** If an occupant defaults in the payment of rent for the storage space or otherwise breaches the rental agreement, the owner may commence an ~~eviction~~ action ~~under chapter 504B~~ to terminate the rental agreement, recover possession of the storage space, remove the occupant, and dispose of the stored personal property. The action shall be conducted in accordance with the Minnesota Rules of Civil Procedure except as provided in this section.

Subd. 2. **Service of summons.** The summons must be served at least seven days before the date of the court appearance as provided in subdivision 3.

Subd. 3. **Appearance.** Except as provided in subdivision 4, in an action filed under this section, the appearance shall be not less than seven or more than 14 days from the day of issuing the summons.

Subd. 4. **Expedited hearing.** If the owner files a motion and affidavit stating specific facts and instances in support of an allegation that the occupant is causing a nuisance or engaging in illegal or other behavior that seriously endangers the safety of others, their property, or the storage facility's property, the appearance shall be not less than three days nor more than seven days from the date the summons is issued. The summons in an expedited hearing shall be served upon the occupant within 24 hours of issuance unless the court orders otherwise for good cause shown.

Subd. 5. **Answer; trial; continuance.** At the court appearance specified in the summons, the defendant may answer the complaint, and the court shall hear and decide the action, unless it grants a continuance of the trial, which may be for no longer than six days, unless all parties consent to longer continuance.

Subd. 6. **Counterclaims.** The occupant is prohibited from bringing counterclaims in the action that are unrelated to the possession of the storage space. Nothing in this section prevents the occupant from bringing the claim in a separate action.

Subd. 7. **Judgment; writ.** Judgment in matters adjudicated under this section shall be in accordance with section 504B.345, subdivision 1, paragraph (a). Execution of a writ issued under this section shall be in accordance with section 504B.365.

Sec. 5. Minnesota Statutes 2020, section 517.04, is amended to read:

517.04 PERSONS AUTHORIZED TO PERFORM CIVIL MARRIAGES.

Civil marriages may be solemnized throughout the state by an individual who has attained the age of 21 years and is a judge of a court of record, a retired judge of a court of record, a court administrator, a retired court administrator with the approval of the chief judge of the judicial district, a former court commissioner who is employed by the court system or is acting pursuant to an order of the chief judge of the commissioner's judicial district, a notary commissioned pursuant to chapter 359, the residential school superintendent of the Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind, a licensed or ordained minister of any religious denomination, or by any mode recognized in section 517.18. For purposes of this section, a court of record includes the Office of Administrative Hearings under section 14.48.

Sec. 6. Minnesota Statutes 2020, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. **Term of license; fee; premarital education.** (a) The local registrar shall examine upon oath the parties applying for a license relative to the legality of the contemplated civil marriage. Examination upon oath of the parties under this section may include contemporaneous video or audio transmission or receipt of a verified statement signed by both parties attesting to the legality of the marriage. The local registrar may accept civil marriage license applications, signed by both parties, by mail, facsimile, or electronic filing. Both parties must present proof of age to the local registrar. ~~If one party is unable to appear in person, the party appearing may complete the absent applicant's information. The local registrar shall provide a copy of the civil marriage application to the party who is unable to appear, who must verify the accuracy of the appearing party's information in a notarized statement. The verification statement must be accompanied by a copy of proof of age of the party.~~ The civil marriage license must not be released until ~~the verification statement and~~ proof of age has been received by the local registrar. If the local registrar is satisfied that there is no legal impediment to it, including the restriction contained in section 259.13, the local registrar shall issue the license, containing the full names of the parties before and after the civil marriage, and county and state of residence, with the county seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. Except as provided in paragraph (b), the local registrar shall collect from the applicant a fee of \$115 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital records the reports of civil marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the local registrar for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A local registrar who knowingly issues or signs a civil marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

(b) The civil marriage license fee for parties who have completed at least 12 hours of premarital education is \$40. In order to qualify for the reduced license fee, the parties must submit at the time of applying for the civil marriage license a statement that is signed, dated, and notarized or marked with a church seal from the person who provided the premarital education on their letterhead confirming that it was received. The premarital education must be provided by a licensed or ordained minister or the minister's designee, a person authorized to solemnize civil marriages under section 517.18, or a person authorized to practice marriage and family therapy under section 148B.33. The education must include the use of a premarital inventory and the teaching of communication and conflict management skills.

(c) The statement from the person who provided the premarital education under paragraph (b) must be in the following form:

"I, (name of educator), confirm that (names of both parties) received at least 12 hours of premarital education that included the use of a premarital inventory and the teaching of communication and conflict management skills. I am a licensed or ordained minister, a person authorized to solemnize civil marriages under Minnesota Statutes, section 517.18, or a person licensed to practice marriage and family therapy under Minnesota Statutes, section 148B.33."

The names of the parties in the educator's statement must be identical to the legal names of the parties as they appear in the civil marriage license application. Notwithstanding section 138.17, the educator's statement must be retained for seven years, after which time it may be destroyed.

(d) If section 259.13 applies to the request for a civil marriage license, the local registrar shall grant the civil marriage license without the requested name change. Alternatively, the local registrar may delay the granting of the civil marriage license until the party with the conviction:

(1) certifies under oath that 30 days have passed since service of the notice for a name change upon the prosecuting authority and, if applicable, the attorney general and no objection has been filed under section 259.13; or

(2) provides a certified copy of the court order granting it. The parties seeking the civil marriage license shall have the right to choose to have the license granted without the name change or to delay its granting pending further action on the name change request.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2021.

Sec. 7. Minnesota Statutes 2020, section 524.2-503, is amended to read:

524.2-503 HARMLESS ERROR.

(a) If a document or writing added upon a document was not executed in compliance with section 524.2-502, the document or writing is treated as if it had been executed in compliance with section 524.2-502 if the proponent of the document or writing establishes by clear and convincing evidence that the decedent intended the document or writing to constitute:

- (1) the decedent's will;
 - (2) a partial or complete revocation of the will;
 - (3) an addition to or an alteration of the will; or
 - (4) a partial or complete revival of the decedent's formerly revoked will or of a formerly revoked portion of the will.
- (b) This section applies to documents and writings executed on or after March 13, 2020, ~~but before February 15, 2021.~~

EFFECTIVE DATE. This section is effective retroactively from March 13, 2020, and applies to documents and writings executed on or after March 13, 2020.

Sec. 8. Laws 2020, chapter 118, section 4, is amended to read:

Sec. 4. **FILING OF MORTGAGE OR DEED OF TRUST THROUGH 2020; PUBLIC UTILITY.**

Notwithstanding Minnesota Statutes, section 507.327, ~~for the public utility subject to Minnesota Statutes, section 116C.7791,~~ the filing of the mortgage or deed of trust executed between May 1, 2020, and ~~December 31, 2020~~ June 30, 2022, filed in the Office of the Secretary of State under Minnesota Statutes, section ~~336.02~~ 336B.02, along with, or as part of, the financing statement covering the fixtures, has the same effect, and is notice of the rights and interests of the mortgagee or trustee in easements, other less than fee simple interests in real estate, and fee simple interests in real estate ~~of the public utility~~ to the same extent, as if the mortgage or deed of trust were duly recorded in the office of the county recorder or duly registered in the office of the registrar of titles of the counties in which the real estate is situated. The effectiveness of the filing terminates at the same time as provided in Minnesota Statutes, section 336B.02, subdivision 3, for the termination of the effectiveness of fixture filing. Any filing made in accordance with this section shall also be made with the office of the county recorder, or duly registered in the office of the registrar of titles, of the counties in which the real estate is situated.

EFFECTIVE DATE. This section is effective retroactively from December 30, 2020.

ARTICLE 6
GOVERNMENT DATA PRACTICES

Section 1. **[3.8844] LEGISLATIVE COMMISSION ON DATA PRACTICES.**

Subdivision 1. **Established.** The Legislative Commission on Data Practices and Personal Data Privacy is created to study issues relating to government data practices and individuals' personal data privacy rights and to review legislation impacting data practices, data security, and personal data privacy. The commission is a continuation of the commission that was established by Laws 2014, chapter 193, as amended, and which expired June 30, 2019.

Subd. 2. **Membership.** The commission consists of four senators appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration, and four members of the house of representatives appointed by the speaker. Two members from each chamber must be from the majority party in that chamber and two members from each chamber must be from the minority party in that chamber. Each appointing authority must make appointments as soon as possible after the beginning of the regular legislative session in the odd-numbered year. The ranking senator from the majority party appointed to the commission must convene the first meeting of a biennium by February 15 in the odd-numbered year. The commission may elect up to four former legislators who have demonstrated an interest in, or have a history of working in, the areas of government data practices and personal data privacy to serve as nonvoting members of the commission. The former legislators must not be registered lobbyists. All commission members shall serve without compensation and without reimbursement for mileage, meals, or other expenses.

Subd. 3. **Terms; vacancies.** Members of the commission serve for terms beginning upon appointment and ending at the beginning of the regular legislative session in the next odd-numbered year. The appropriate appointing authority must fill a vacancy for a seat of a current legislator for the remainder of the unexpired term.

Subd. 4. **Officers.** The commission must elect a chair and may elect other officers as it determines are necessary. The chair alternates between a member of the senate and a member of the house of representatives in January of each odd-numbered year.

Subd. 5. **Staff.** Legislative staff must provide administrative and research assistance to the commission from existing resources. The Legislative Coordinating Commission may, if funding is available, appoint staff to provide research assistance.

Subd. 6. **Duties.** The commission shall:

(1) review and provide the legislature with research and analysis of emerging issues relating to government data practices and security and privacy of personal data;

(2) review and make recommendations on legislative proposals relating to the Minnesota Government Data Practices Act; and

(3) review and make recommendations on legislative proposals impacting personal data privacy rights, data security, and other related issues.

EFFECTIVE DATE. This section is effective the day following final enactment. Initial members of the commission serve for a term ending in January 2023. A member of the house of representatives shall serve as the first chair of the commission. A member of the senate shall serve as chair of the commission beginning in January 2023.

Sec. 2. Minnesota Statutes 2020, section 13.045, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(1) "program participant" has the meaning given in section 5B.02, paragraph (g);

(2) "location data" means ~~any~~ data the participant specifies that may be used to physically locate a program participant, ~~including but not limited to such as~~ the program participant's residential address, work address, ~~and or~~ school address, and that is collected, received, or maintained by a government entity prior to the date a program participant's certification expires, or the date the entity receives notice that the program participant has withdrawn from the program, whichever is earlier;

(3) "identity data" means data that may be used to identify a program participant, including the program participant's name, phone number, e-mail address, address designated under chapter 5B, Social Security number, or driver's license number, and that is collected, received, or maintained by a government entity before the date a program participant's certification expires, or the date the entity receives notice that the program participant has withdrawn from the program, whichever is earlier;

(4) "county recorder" means the county official who performs the functions of the county recorder or registrar of titles to record a document as part of the county real estate document recording system, regardless of title or office; and

(5) "real property records" means any record of data that is maintained ~~by a county~~ as part of the county real estate document recording system for use by the public, data on assessments, data on real or personal property taxation, and other data on real property.

Sec. 3. Minnesota Statutes 2020, section 13.045, subdivision 2, is amended to read:

Subd. 2. **Notification of certification.** (a) A program participant may ~~submit a notice, in writing, to~~ notify the responsible authority of any government entity other than the county recorder ~~in writing, on a form prescribed by the secretary of state,~~ that the participant is certified in the Safe at Home address confidentiality program pursuant to chapter 5B. The notice must include the program participant's name, ~~names of other program participants in the household,~~ date of birth, address designated under chapter 5B, program participant signature, signature of the participant's parent or guardian if the participant is a minor, date the program participant's certification in the program expires, and any other information specified by the secretary of state. A program participant may submit a subsequent notice of certification, if the participant's certification is renewed. The contents of the notification of certification are private data on individuals. A notice provided pursuant to this paragraph is a request to protect location data unless the participant requests that specific identity data also be protected.

(b) ~~To affect real property records, including but not limited to documents maintained in a public recording system, data on assessments and taxation, and other data on real property,~~ a program participant must submit a real property notice in writing to the county recorder in the county where the property identified in the real property notice is located. To affect real property records maintained by any other government entity, a program participant must submit a real property notice in writing to the other government entity's responsible authority. A real property notice must be on a form prescribed by the secretary of state and must include:

- (1) the full legal name of the program participant, including middle name;
- (2) the last four digits of the program participant's Social Security number;
- (3) the participant's date of birth;
- ~~(3)~~ (4) the designated address of the program participant as assigned by the secretary of state, including lot number;
- ~~(4) the date the program participant's certification in the program expires;~~
- (5) the legal description and street address, if any, of the real property affected by the notice;
- (6) the address of the Office of the Secretary of State; and
- (7) the signature of the program participant.

Only one parcel of real property may be included in each notice, but more than one notice may be presented ~~to the county recorder. The county recorder~~ The recipient of the notice may require a program participant to provide additional information necessary to identify the records of the program participant or the real property described in the notice. A program participant must submit a subsequent real property notice for the real property if the participant's ~~certification is renewed~~ legal name changes. The real property notice is private data on individuals.

Sec. 4. Minnesota Statutes 2020, section 13.045, subdivision 3, is amended to read:

Subd. 3. Classification of identity and location data; amendment of records; sharing and dissemination.

(a) Identity and location data ~~on~~ for which a program participant who submits a notice seeks protection under subdivision 2, paragraph (a), that are not otherwise classified by law are private data on individuals. ~~Notwithstanding any provision of law to the contrary, private or confidential location data on a program participant who submits a notice under subdivision 2, paragraph (a), may not be shared with any other government entity or nongovernmental entity except as provided in paragraph (b).~~

(b) ~~Private or confidential location data on a program participant must not be shared or disclosed by a government entity~~ Notwithstanding any provision of law to the contrary, private or confidential location data on a program participant who submits a notice under subdivision 2, paragraph (a), may not be shared with any other government entity or nongovernmental entity unless:

(1) the program participant has expressly consented in writing to sharing or dissemination of the data for the purpose for which the sharing or dissemination will occur;

(2) the data are subject to sharing or dissemination pursuant to court order under section 13.03, subdivision 6;

(3) the data are subject to sharing pursuant to section 5B.07, subdivision 2;

(4) the location data related to county of residence are needed to provide public assistance or other government services, or to allocate financial responsibility for the assistance or services;

(5) the data are necessary to perform a government entity's health, safety, or welfare functions, including the provision of emergency 911 services, the assessment and investigation of child or vulnerable adult abuse or neglect, or the assessment or inspection of services or locations for compliance with health, safety, or professional standards; or

(6) the data are necessary to aid an active law enforcement investigation of the program participant.

(c) Data disclosed under paragraph (b), clauses (4) to (6), may be used only for the purposes authorized in this subdivision and may not be further disclosed to any other person or government entity. Government entities receiving or sharing private or confidential data under this subdivision shall establish procedures to protect the data from further disclosure.

(d) Real property record data are governed by subdivision 4a.

(e) Notwithstanding sections 15.17 and 138.17, a government entity may amend records to replace a participant's location data with the participant's designated address.

Sec. 5. Minnesota Statutes 2020, section 13.045, subdivision 4a, is amended to read:

Subd. 4a. Real property records. (a) If a program participant submits a notice ~~to a county recorder~~ under subdivision 2, paragraph (b), the ~~county recorder~~ government entity must not disclose the program participant's identity data in conjunction with the property identified in the written notice in the entity's real property records, unless:

(1) the program participant has consented to sharing or dissemination of the data for the purpose identified in a writing acknowledged by the program participant;

(2) the data are subject to sharing or dissemination pursuant to court order under section 13.03, subdivision 6; ~~or~~

(3) the secretary of state authorizes the sharing or dissemination of the data under subdivision 4b for the purpose identified in the authorization; or

(4) the data is shared with a government entity subject to this chapter for the purpose of administering assessment and taxation laws.

This subdivision does not prevent ~~the~~ a county recorder from returning original documents to the individuals that submitted the documents for recording. This subdivision does not prevent the public disclosure of the participant's name and address designated under chapter 5B in the county reception index if the participant's name and designated address are not disclosed in conjunction with location data. Each ~~county recorder~~ government entity shall establish procedures for recording or filing documents to comply with this subdivision. These procedures may include masking identity or location data and making documents or certificates of title containing the data private and not viewable except as allowed by this paragraph. The procedure must comply with the requirements of chapters 386, 507, 508, and 508A and other laws as appropriate, to the extent these requirements do not conflict with this section. The procedures must provide public notice of the existence of recorded documents and certificates of title that are not publicly viewable and the provisions for viewing them under this subdivision. Notice that a document or certificate is private and viewable only under this subdivision or subdivision 4b is deemed constructive notice of the document or certificate.

(b) A real property notice is notice only to the county recorder. A notice that does not conform to the requirements of a real property notice under subdivision 2, paragraph (b), is not effective as a notice to the county recorder. On receipt of a real property notice, the ~~county recorder~~ government entity shall provide a copy of the notice to the person who maintains the property tax records in that ~~county~~ jurisdiction, to the county's or municipality's responsible authority, and provide a copy to the secretary of state at the address specified by the secretary of state in the notice.

(c) Paragraph (a) applies only to the records recorded or filed concurrently with the real property notice specified in subdivision 2, paragraph (b), and real property records affecting the same real property created or recorded subsequent to the ~~county's~~ government entity's receipt of the real property notice.

(d) The prohibition on disclosure in paragraph (a) continues until:

(1) the program participant has consented to the termination of the real property notice in a writing acknowledged by the program participant. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination;

(2) the real property notice is terminated pursuant to a court order. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination;

(3) the program participant no longer holds a record interest in the real property identified in the real property notice. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination; or

(4) the secretary of state has given written notice to the ~~county recorder~~ government entity who provided the secretary of state with a copy of a participant's real property notice that the program participant's certification has terminated. Notification under this paragraph must be given by the secretary of state within 90 days of the termination.

Upon termination of the prohibition of disclosure, the ~~county recorder~~ government entity shall make publicly viewable all documents and certificates of title relative to the participant that were previously partially or wholly private and not viewable.

Sec. 6. Minnesota Statutes 2020, section 13.32, subdivision 3, is amended to read:

Subd. 3. **Private data; when disclosure is permitted.** Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

- (a) pursuant to section 13.05;
- (b) pursuant to a valid court order;
- (c) pursuant to a statute specifically authorizing access to the private data;
- (d) to disclose information in health, including mental health, and safety emergencies pursuant to the provisions of United States Code, title 20, section 1232g(b)(1)(I) and Code of Federal Regulations, title 34, section 99.36;
- (e) pursuant to the provisions of United States Code, title 20, sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3), (b)(6), (b)(7), and (i), and Code of Federal Regulations, title 34, sections 99.31, 99.32, 99.33, 99.34, 99.35, and 99.39;
- (f) to appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
- (g) when disclosure is required for institutions that participate in a program under title IV of the Higher Education Act, United States Code, title 20, section 1092;
- (h) to the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a postsecondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction;
- (i) to appropriate authorities as provided in United States Code, title 20, section 1232g(b)(1)(E)(ii), if the data concern the juvenile justice system and the ability of the system to effectively serve, prior to adjudication, the student whose records are released; provided that the authorities to whom the data are released submit a written request for the data that certifies that the data will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student and the request and a record of the release are maintained in the student's file;
- (j) to volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
- (k) to provide student recruiting information, from educational data held by colleges and universities, as required by and subject to Code of Federal Regulations, title 32, section 216;
- (l) to the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;

(m) with respect to Social Security numbers of students in the adult basic education system, to Minnesota State Colleges and Universities and the Department of Employment and Economic Development for the purpose and in the manner described in section 124D.52, subdivision 7;

(n) to the commissioner of education for purposes of an assessment or investigation of a report of alleged maltreatment of a student as mandated by chapter 260E. Upon request by the commissioner of education, data that are relevant to a report of maltreatment and are from charter school and school district investigations of alleged maltreatment of a student must be disclosed to the commissioner, including, but not limited to, the following:

(1) information regarding the student alleged to have been maltreated;

(2) information regarding student and employee witnesses;

(3) information regarding the alleged perpetrator; and

(4) what corrective or protective action was taken, if any, by the school facility in response to a report of maltreatment by an employee or agent of the school or school district;

(o) when the disclosure is of the final results of a disciplinary proceeding on a charge of a crime of violence or nonforcible sex offense to the extent authorized under United States Code, title 20, section 1232g(b)(6)(A) and (B) and Code of Federal Regulations, title 34, sections 99.31 (a)(13) and (14);

(p) when the disclosure is information provided to the institution under United States Code, title 42, section 14071, concerning registered sex offenders to the extent authorized under United States Code, title 20, section 1232g(b)(7); ~~or~~

(q) when the disclosure is to a parent of a student at an institution of postsecondary education regarding the student's violation of any federal, state, or local law or of any rule or policy of the institution, governing the use or possession of alcohol or of a controlled substance, to the extent authorized under United States Code, title 20, section 1232g(i), and Code of Federal Regulations, title 34, section 99.31 (a)(15), and provided the institution has an information release form signed by the student authorizing disclosure to a parent. The institution must notify parents and students about the purpose and availability of the information release forms. At a minimum, the institution must distribute the information release forms at parent and student orientation meetings; or

(r) with tribal nations about tribally enrolled or descendant students to the extent necessary for the tribal nation and school district or charter school to support the educational attainment of the student.

Sec. 7. **[13.3655] ATTORNEY GENERAL DATA CODED ELSEWHERE.**

Subdivision 1. **Scope.** The sections referred to in this section are codified outside this chapter. Those sections classify attorney general data as other than public, place restrictions on access to government data, or involve data sharing.

Subd. 2. **Jailhouse witnesses.** Data collected and maintained by the attorney general regarding jailhouse witnesses are governed by section 634.045.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 8. Minnesota Statutes 2020, section 13.7931, is amended by adding a subdivision to read:

Subd. 1b. **Data on individuals who are minors.** Data on individuals who are minors that are collected, created, received, maintained, or disseminated by the Department of Natural Resources are classified under section 84.0873.

Sec. 9. Minnesota Statutes 2020, section 13.82, is amended by adding a subdivision to read:

Subd. 33. **Mental health care data.** (a) Mental health data received from the welfare system as described in section 13.46, subdivision 7, are classified as described in that section.

(b) Data received from a provider as described in section 144.294 are classified as described in that section.

(c) Health records received from a provider are governed by section 144.293.

(d) The following data on individuals created or collected by law enforcement agencies are private data on individuals, unless the data become criminal investigative data, in which the data are classified by subdivision 7:

(1) medications taken by an individual;

(2) mental illness diagnoses;

(3) the psychological or psychosocial history of an individual;

(4) risk factors or potential triggers related to an individual's mental health;

(5) mental health or social service providers serving an individual; and

(6) data pertaining to the coordination of social service or mental health care on behalf of an individual, including the scheduling of appointments, responses from providers, and follow-up.

(e) Data classified as private by paragraph (d) may be shared with the welfare system, as defined in section 13.46, subdivision 1, paragraph (c), or with a provider as defined by section 144.291, subdivision 2, paragraph (i), to coordinate necessary services on behalf of the subject of the data.

(f) This subdivision does not affect the classification of data made public by subdivision 2, 3, or 6 or those portions of inactive investigative data made public by subdivision 7.

Sec. 10. Minnesota Statutes 2020, section 13.824, subdivision 6, is amended to read:

Subd. 6. **Biennial audit.** (a) In addition to the log required under subdivision 5, the law enforcement agency must maintain records showing the date and time automated license plate reader data were collected and the applicable classification of the data. The law enforcement agency shall arrange for an independent, biennial audit of the records to determine whether data currently in the records are classified, how the data are used, whether they are destroyed as required under this section, and to verify compliance with subdivision 7. If the commissioner of administration believes that a law enforcement agency is not complying with this section or other applicable law, the commissioner may order a law enforcement agency to arrange for additional independent audits. Data in the records required under this paragraph are classified as provided in subdivision 2.

(b) The results of the audit are public. The commissioner of administration shall review the results of the audit. If the commissioner determines that there is a pattern of substantial noncompliance with this section by the law enforcement agency, the agency must immediately suspend operation of all automated license plate reader devices until the commissioner has authorized the agency to reinstate their use. An order of suspension under this paragraph may be issued by the commissioner, upon review of the results of the audit, review of the applicable provisions of this chapter, and after providing the agency a reasonable opportunity to respond to the audit's findings.

(c) A report summarizing the results of each audit must be provided to the commissioner of administration, to the ~~chair~~ chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over data practices and public safety issues, and to the Legislative Commission on Data Practices and Personal Data Privacy no later than 30 days following completion of the audit.

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

Sec. 11. Minnesota Statutes 2020, section 13.825, subdivision 9, is amended to read:

Subd. 9. **Biennial audit.** (a) A law enforcement agency must maintain records showing the date and time portable recording system data were collected and the applicable classification of the data. The law enforcement agency shall arrange for an independent, biennial audit of the data to determine whether data are appropriately classified according to this section, how the data are used, and whether the data are destroyed as required under this section, and to verify compliance with subdivisions 7 and 8. If the governing body with jurisdiction over the budget of the agency determines that the agency is not complying with this section or other applicable law, the governing body may order additional independent audits. Data in the records required under this paragraph are classified as provided in subdivision 2.

(b) The results of the audit are public, except for data that are otherwise classified under law. The governing body with jurisdiction over the budget of the law enforcement agency shall review the results of the audit. If the governing body determines that there is a pattern of substantial noncompliance with this section, the governing body must order that operation of all portable recording systems be suspended until the governing body has authorized the agency to reinstate their use. An order of suspension under this paragraph may only be made following review of the results of the audit and review of the applicable provisions of this chapter, and after providing the agency and members of the public a reasonable opportunity to respond to the audit's findings in a public meeting.

(c) A report summarizing the results of each audit must be provided to the governing body with jurisdiction over the budget of the law enforcement agency ~~and~~, to the Legislative Commission on Data Practices and Personal Data Privacy, and to the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over data practices and public safety issues no later than 60 days following completion of the audit.

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

Sec. 12. Minnesota Statutes 2020, section 13.856, subdivision 3, is amended to read:

Subd. 3. **Public data.** The following closed case data maintained by the ombudsperson are classified as public data pursuant to section 13.02, subdivision 15:

- (1) client name;
- (2) client location; and
- (3) the inmate identification number assigned by the Department of Corrections.

Sec. 13. **[84.0873] DATA ON INDIVIDUALS WHO ARE MINORS.**

(a) When the Department of Natural Resources collects, creates, receives, maintains, or disseminates the following data on individuals who the department knows are minors, the data are considered private data on individuals, as defined in section 13.02, subdivision 12, except for data classified as public data according to section 13.43:

- (1) name;

(2) date of birth;

(3) Social Security number;

(4) telephone number;

(5) e-mail address;

(6) physical or mailing address;

(7) location data;

(8) online account access information;

(9) data associated with the location of electronic devices; and

(10) other data that would identify participants who have registered for events, programs, or classes sponsored by the Department of Natural Resources.

(b) Data about minors classified under this section maintain their classification as private data on individuals after the individual is no longer a minor.

Sec. 14. Minnesota Statutes 2020, section 144.225, subdivision 7, is amended to read:

Subd. 7. **Certified birth or death record.** (a) The state registrar or local issuance office shall issue a certified birth or death record or a statement of no vital record found to an individual upon the individual's proper completion of an attestation provided by the commissioner and payment of the required fee:

(1) to a person who ~~has a tangible interest in the requested vital record.~~ A person who has a tangible interest is:

(i) the subject of the vital record;

(ii) a child of the subject;

(iii) the spouse of the subject;

(iv) a parent of the subject;

(v) the grandparent or grandchild of the subject;

(vi) if the requested record is a death record, a sibling of the subject;

~~(vii) the party responsible for filing the vital record;~~

~~(viii)~~ (vii) the legal custodian, guardian or conservator, or health care agent of the subject;

~~(ix)~~ (viii) a personal representative, by sworn affidavit of the fact that the certified copy is required for administration of the estate;

~~(x)~~ (ix) a successor of the subject, as defined in section 524.1-201, if the subject is deceased, by sworn affidavit of the fact that the certified copy is required for administration of the estate;

~~(xi)~~ (x) if the requested record is a death record, a trustee of a trust by sworn affidavit of the fact that the certified copy is needed for the proper administration of the trust;

~~(xii)~~ (xi) a person or entity who demonstrates that a certified vital record is necessary for the determination or protection of a personal or property right, pursuant to rules adopted by the commissioner; or

~~(xiii)~~ (xii) an adoption agency in order to complete confidential postadoption searches as required by section 259.83;

(2) to any local, state, tribal, or federal governmental agency upon request if the certified vital record is necessary for the governmental agency to perform its authorized duties;

(3) to an attorney representing the subject of the vital record or another person listed in clause (1), upon evidence of the attorney's license;

(4) pursuant to a court order issued by a court of competent jurisdiction. For purposes of this section, a subpoena does not constitute a court order; or

(5) to a representative authorized by a person under clauses (1) to (4).

(b) The state registrar or local issuance office shall also issue a certified death record to an individual described in paragraph (a), clause (1), items (ii) to ~~(viii)~~ (xi), if, on behalf of the individual, a licensed mortician furnishes the registrar with a properly completed attestation in the form provided by the commissioner within 180 days of the time of death of the subject of the death record. This paragraph is not subject to the requirements specified in Minnesota Rules, part 4601.2600, subpart 5, item B.

Sec. 15. [611A.95] CERTIFICATIONS FOR VICTIMS OF CRIMES.

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "certifying entity" means a state or local law enforcement agency;

(2) "criminal activity" means qualifying criminal activity pursuant to section 101(a)(15)(U)(iii) of the Immigration and Nationality Act, and includes the attempt, conspiracy, or solicitation to commit such crimes; and

(3) "certification" means any certification or statement required by federal immigration law including but not limited to the information required by United States Code, title 8, section 1184(p), and United States Code, title 8, section 1184(o), including current United States Citizenship and Immigration Services Form I-918, Supplement B, and United States Citizenship and Immigration Services Form I-914, Supplement B, and any successor forms.

Subd. 2. **Certification process.** (a) A certifying entity shall process a certification requested by a victim of criminal activity or a representative of the victim, including but not limited to the victim's attorney, family member, or domestic violence or sexual assault violence advocate, within the time period prescribed in paragraph (b).

(b) A certifying entity shall process the certification within 90 days of request, unless the victim is in removal proceedings, in which case the certification shall be processed within 14 days of the request. Requests for expedited certification must be affirmatively raised at the time of the request.

(c) An active investigation, the filing of charges, or a prosecution or conviction are not required for the victim of criminal activity to request and obtain the certification.

Subd. 3. **Certifying entity; designated agent.** (a) The head of a certifying entity shall designate an agent to perform the following responsibilities:

(1) timely process requests for certification;

(2) provide outreach to victims of criminal activity to inform them of the entity's certification process; and

(3) keep a written or electronic record of all certification requests and responses.

(b) All certifying entities shall implement a language access protocol for non-English-speaking victims of criminal activity.

Subd. 4. **Disclosure prohibited; data classification.** (a) A certifying entity is prohibited from disclosing the immigration status of a victim of criminal activity or a representative requesting the certification, except to comply with federal law or legal process, or if authorized by the victim of criminal activity or the representative requesting the certification.

(b) Data provided to a certifying entity under this section is classified as private data pursuant to section 13.02, subdivision 12.

EFFECTIVE DATE. Subdivisions 1, 2, and 4 are effective the day following final enactment. Subdivision 3 is effective July 1, 2021.

Sec. 16. **INITIAL APPOINTMENTS AND MEETINGS.**

Appointing authorities for the Legislative Commission on Data Practices under Minnesota Statutes, section 3.8844, must make initial appointments by June 1, 2021. The speaker of the house of representatives must designate one member of the commission to convene the first meeting of the commission by June 15, 2021.

ARTICLE 7
FORFEITURE

Section 1. Minnesota Statutes 2020, section 169A.63, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given them.

(b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense or to require a test under section 169A.51 (chemical tests for intoxication).

(c) "Asserting person" means a person, other than the driver alleged to have committed a designated offense, claiming an ownership interest in a vehicle that has been seized or restrained under this section.

(~~e~~) (d) "Claimant" means an owner of a motor vehicle or a person claiming a leasehold or security interest in a motor vehicle.

(~~d~~) (~~e~~) "Designated license revocation" includes a license revocation under section 169A.52 (license revocation for test failure or refusal) or 171.177 (revocation; search warrant) or a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52 or 171.177; within ten years of the first of two or more qualified prior impaired driving incidents.

(~~e~~) (f) "Designated offense" includes:

(1) a violation of section 169A.20 (driving while impaired) under the circumstances described in section 169A.24 (first-degree driving while impaired), ~~or 169A.25 (second-degree driving while impaired); or~~

(2) a violation of section 169A.20 or an ordinance in conformity with it: within ten years of the first of two qualified prior impaired driving incidents.

~~(i) by a person whose driver's license or driving privileges have been canceled as inimical to public safety under section 171.04, subdivision 1, clause (10), and not reinstated; or~~

~~(ii) by a person who is subject to a restriction on the person's driver's license under section 171.09 (commissioner's license restrictions), which provides that the person may not use or consume any amount of alcohol or a controlled substance.~~

~~(f)~~ (g) "Family or household member" means:

(1) a parent, stepparent, or guardian;

(2) any of the following persons related by blood, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or

(3) persons residing together or persons who regularly associate and communicate with one another outside of a workplace setting.

~~(g)~~ (h) "Motor vehicle" and "vehicle" do not include a vehicle which is stolen or taken in violation of the law.

~~(h)~~ (i) "Owner" means a person legally entitled to possession, use, and control of a motor vehicle, including a lessee of a motor vehicle if the lease agreement has a term of 180 days or more. There is a rebuttable presumption that a person registered as the owner of a motor vehicle according to the records of the Department of Public Safety is the legal owner. For purposes of this section, if a motor vehicle is owned jointly by two or more people, each owner's interest extends to the whole of the vehicle and is not subject to apportionment.

~~(i)~~ (j) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense or a designee. If a state agency initiated the forfeiture, and the attorney responsible for prosecuting the designated offense declines to pursue forfeiture, the Attorney General's Office or its designee may initiate forfeiture under this section.

~~(j)~~ (k) "Security interest" means a bona fide security interest perfected according to section 168A.17, subdivision 2, based on a loan or other financing that, if a vehicle is required to be registered under chapter 168, is listed on the vehicle's title.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 2. Minnesota Statutes 2020, section 169A.63, subdivision 7, is amended to read:

Subd. 7. **Limitations on vehicle forfeiture.** (a) A vehicle is presumed subject to forfeiture under this section if:

(1) the driver is convicted of the designated offense upon which the forfeiture is based; or

~~(2) the driver fails to appear for a scheduled court appearance with respect to the designated offense charged and fails to voluntarily surrender within 48 hours after the time required for appearance; or~~

~~(3)~~ (2) the driver's conduct results in a designated license revocation and the driver fails to seek judicial review of the revocation in a timely manner as required by section 169A.53, subdivision 2, (petition for judicial review), or the license revocation is judicially reviewed and sustained under section 169A.53, subdivision 2.

(b) A vehicle encumbered by a security interest perfected according to section 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more, is subject to the interest of the secured party or lessor unless the party or lessor had knowledge of or consented to the act upon which the forfeiture is based. However, when the proceeds of the sale of a seized vehicle do not equal or exceed the outstanding loan balance, the appropriate agency shall remit all proceeds of the sale to the secured party after deducting the agency's costs for the seizure, tow, storage, forfeiture, and sale of the vehicle. If the sale of the vehicle is conducted in a commercially reasonable manner consistent with the provisions of section 336.9-610, the agency is not liable to the secured party for any amount owed on the loan in excess of the sale proceeds. The validity and amount of a nonperfected security interest must be established by its holder by clear and convincing evidence.

(c) Notwithstanding paragraph (b), the secured party's or lessor's interest in a vehicle is not subject to forfeiture based solely on the secured party's or lessor's knowledge of the act or omission upon which the forfeiture is based if the secured party or lessor demonstrates by clear and convincing evidence that the party or lessor took reasonable steps to terminate use of the vehicle by the offender.

~~(d) A motor vehicle is not subject to forfeiture under this section if any of its owners who petition the court can demonstrate by clear and convincing evidence that the petitioning owner did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the petitioning owner took reasonable steps to prevent use of the vehicle by the offender. If the offender is a family or household member of any of the owners who petition the court and has three or more prior impaired driving convictions, the petitioning owner is presumed to know of any vehicle use by the offender that is contrary to law. "Vehicle use contrary to law" includes, but is not limited to, violations of the following statutes:~~

- ~~(1) section 171.24 (violations; driving without valid license);~~
- ~~(2) section 169.791 (criminal penalty for failure to produce proof of insurance);~~
- ~~(3) section 171.09 (driving restrictions; authority, violations);~~
- ~~(4) section 169A.20 (driving while impaired);~~
- ~~(5) section 169A.33 (underage drinking and driving); and~~
- ~~(6) section 169A.35 (open bottle law).~~

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 3. Minnesota Statutes 2020, section 169A.63, is amended by adding a subdivision to read:

Subd. 7a. **Innocent owner.** (a) An asserting person may bring an innocent owner claim by notifying the prosecuting authority in writing and within 60 days of the service of the notice of seizure.

(b) Upon receipt of notice pursuant to paragraph (a), the prosecuting authority may release the vehicle to the asserting person. If the prosecuting authority proceeds with the forfeiture, the prosecuting authority must, within 30 days, file a separate complaint in the name of the jurisdiction pursuing the forfeiture against the vehicle, describing the vehicle, specifying that the vehicle was used in the commission of a designated offense or was used in conduct resulting in a designated license revocation, and specifying the time and place of the vehicle's unlawful use. The complaint may be filed in district court or conciliation court and the filing fee is waived.

(c) A complaint filed by the prosecuting authority must be served on the asserting person and on any other registered owners. Service may be made by certified mail at the address listed in the Department of Public Safety's computerized motor vehicle registration records or by any means permitted by court rules.

(d) The hearing on the complaint shall, to the extent practicable, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the complaint with a hearing on any other complaint involving a claim of an ownership interest in the same vehicle.

(e) At a hearing held pursuant to this subdivision, the prosecuting authority must:

(1) prove by a preponderance of the evidence that the seizure was incident to a lawful arrest or a lawful search; and

(2) certify that the prosecuting authority has filed, or intends to file, charges against the driver for a designated offense or that the driver has a designated license revocation.

(f) At a hearing held pursuant to this subdivision, the asserting person must prove by a preponderance of the evidence that the asserting person:

(1) has an actual ownership interest in the vehicle; and

(2) did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the asserting person took reasonable steps to prevent use of the vehicle by the alleged offender.

(g) If the court determines that the state met both burdens under paragraph (e) and the asserting person failed to meet any burden under paragraph (f), the court shall order that the vehicle remains subject to forfeiture under this section.

(h) The court shall order that the vehicle is not subject to forfeiture under this section and shall order the vehicle returned to the asserting person if it determines that:

(1) the state failed to meet any burden under paragraph (e);

(2) the asserting person proved both elements under paragraph (f); or

(3) clauses (1) and (2) apply.

(i) If the court determines that the asserting person is an innocent owner and orders the vehicle returned to the innocent owner, an entity in possession of the vehicle is not required to release it until the innocent owner pays:

(1) the reasonable costs of the towing, seizure, and storage of the vehicle incurred before the innocent owner provided the notice required under paragraph (a); and

(2) any reasonable costs of storage of the vehicle incurred more than two weeks after an order issued under paragraph (h).

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 4. Minnesota Statutes 2020, section 169A.63, subdivision 8, is amended to read:

Subd. 8. **Administrative forfeiture procedure.** (a) A motor vehicle used to commit a designated offense or used in conduct resulting in a designated license revocation is subject to administrative forfeiture under this subdivision.

(b) Within 60 days from when a motor vehicle is seized under subdivision 2, or within a reasonable time after seizure, the appropriate agency shall serve the driver or operator of the vehicle with a notice of the seizure and intent to forfeit the vehicle. Additionally, when a motor vehicle is seized under subdivision 2, or within a reasonable time after that, all persons known to have an ownership, possessory, or security interest in the vehicle must be notified of the seizure and the intent to forfeit the vehicle. For those vehicles required to be registered under chapter 168, the notification to a person known to have a security interest in the vehicle is required only if the vehicle is registered under chapter 168 and the interest is listed on the vehicle's title. Upon motion by the appropriate agency or prosecuting authority, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown. Notice mailed by certified mail to the address shown in Department of Public Safety records is sufficient notice to the registered owner of the vehicle. For motor vehicles not required to be registered under chapter 168, notice mailed by certified mail to the address shown in the applicable filing or registration for the vehicle is sufficient notice to a person known to have an ownership, possessory, or security interest in the vehicle. Otherwise, notice may be given in the manner provided by law for service of a summons in a civil action.

(c) The notice must be in writing and contain:

(1) a description of the vehicle seized;

(2) the date of seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English. This requirement does not preclude the appropriate agency from printing the notice in other languages in addition to English.

Substantially the following language must appear conspicuously in the notice:

"WARNING: If you were the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not file a lawsuit and serve the prosecuting authority within 60 days. You may file your lawsuit in conciliation court if the property is worth \$15,000 or less; otherwise, you must file in district court. You may do not have to pay a filing fee for your lawsuit ~~if you are unable to afford the fee. You do not have to pay a conciliation court fee if your property is worth less than \$500.~~

WARNING: If you have an ownership interest in the above-described property and were not the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not notify the prosecuting authority of your interest in writing within 60 days."

(d) If notice is not sent in accordance with paragraph (b), and no time extension is granted or the extension period has expired, the appropriate agency shall return the property vehicle to the ~~person from whom the property was seized, if known~~ owner. An agency's return of property due to lack of proper notice does not restrict the agency's authority to commence a forfeiture proceeding at a later time. ~~The agency shall not be required to return contraband or other property that the person from whom the property was seized may not legally possess.~~

(e) Within 60 days following service of a notice of seizure and forfeiture under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service

of a copy of the complaint on the prosecuting authority having jurisdiction over the forfeiture, ~~including the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01.~~ The claimant may serve the complaint by certified mail or any means permitted by court rules. If the value of the seized property is \$15,000 or less, the claimant may file an action in conciliation court for recovery of the seized vehicle. A copy of the conciliation court statement of claim must be served personally or by mail on the prosecuting authority having jurisdiction over the forfeiture, ~~as well as on the appropriate agency that initiated the forfeiture,~~ within 60 days following service of the notice of seizure and forfeiture under this subdivision. ~~If the value of the seized property is less than \$500, The claimant does not have to pay the conciliation court filing fee.~~

No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The prosecuting authority may appear for the appropriate agency. Pleadings, filings, and methods of service are governed by the Rules of Civil Procedure.

(f) The complaint must be captioned in the name of the claimant as plaintiff and the seized vehicle as defendant, and must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized, the claimant's interest in the vehicle seized, and any affirmative defenses the claimant may have. Notwithstanding any law to the contrary, an action for the return of a vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(g) If the claimant makes a timely demand for a judicial determination under this subdivision, the forfeiture proceedings must be conducted as provided under subdivision 9.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 5. Minnesota Statutes 2020, section 169A.63, subdivision 9, is amended to read:

Subd. 9. **Judicial forfeiture procedure.** (a) This subdivision governs judicial determinations of the forfeiture of a motor vehicle used to commit a designated offense or used in conduct resulting in a designated license revocation. An action for forfeiture is a civil in rem action and is independent of any criminal prosecution. All proceedings are governed by the Rules of Civil Procedure.

(b) If no demand for judicial determination of the forfeiture is pending, the prosecuting authority may, in the name of the jurisdiction pursuing the forfeiture, file a separate complaint against the vehicle, describing it, specifying that it was used in the commission of a designated offense or was used in conduct resulting in a designated license revocation, and specifying the time and place of its unlawful use.

(c) The prosecuting authority may file an answer to a properly served demand for judicial determination, including an affirmative counterclaim for forfeiture. The prosecuting authority is not required to file an answer.

(d) A judicial determination under this subdivision must be held at the earliest practicable date, and in any event no later than 180 days following the filing of the demand by the claimant. If a related criminal proceeding is pending, the hearing shall not be held until the conclusion of the criminal proceedings. The district court administrator shall schedule the hearing as soon as practicable after the conclusion of the criminal prosecution. The district court administrator shall establish procedures to ensure efficient compliance with this subdivision. The hearing is to the court without a jury.

(e) There is a presumption that a vehicle seized under this section is subject to forfeiture if the prosecuting authority establishes that the vehicle was used in the commission of a designated offense or designated license revocation. A claimant bears the burden of proving any affirmative defense raised.

(f) If the forfeiture is based on the commission of a designated offense and the person charged with the designated offense appears in court as required and is not convicted of the offense, the court shall order the property returned to the person legally entitled to it upon that person's compliance with the redemption requirements of section 169A.42. If the forfeiture is based on a designated license revocation, and the license revocation is rescinded under section 169A.53, subdivision 3 (judicial review hearing, issues, order, appeal), the court shall order the property returned to the person legally entitled to it upon that person's compliance with the redemption requirements of section 169A.42.

(g) If the lawful ownership of the vehicle used in the commission of a designated offense or used in conduct resulting in a designated license revocation can be determined and the owner makes the demonstration required under subdivision 7, ~~paragraph (d)~~ 7a, the vehicle must be returned immediately upon the owner's compliance with the redemption requirements of section 169A.42.

(h) If the court orders the return of a seized vehicle under this subdivision it ~~must order that filing fees be reimbursed to the person who filed the demand for judicial determination. In addition, the court may order sanctions under section 549.211 (sanctions in civil actions). Any reimbursement fees or sanctions must be paid from other forfeiture proceeds of the law enforcement agency and prosecuting authority involved and in the same proportion as distributed under subdivision 10, paragraph (b).~~

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 6. Minnesota Statutes 2020, section 169A.63, subdivision 10, is amended to read:

Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively forfeited under subdivision 8, or if the court finds under subdivision 9 that the vehicle is subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

(1) sell the vehicle and distribute the proceeds under paragraph (b); or

(2) keep the vehicle for official use. If the agency keeps a forfeited motor vehicle for official use, it shall make reasonable efforts to ensure that the motor vehicle is available for use by the agency's officers who participate in the drug abuse resistance education program.

(b) The proceeds from the sale of forfeited vehicles, after payment of seizure, towing, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the state or local agency's operating fund or similar fund for use in DWI-related enforcement, training, ~~and~~ education, crime prevention, equipment, or capital expenses; and

(2) 30 percent of the money or proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes, training, education, crime prevention, equipment, or capital expenses. For purposes of this subdivision, the prosecuting authority shall not include privately contracted prosecutors of a local political subdivision and, in those events, the forfeiture proceeds shall be forwarded to the political subdivision where the forfeiture was handled for the purposes identified in clause (1).

(c) If a vehicle is sold under paragraph (a), the appropriate agency shall not sell the vehicle to: (1) an officer or employee of the agency that seized the property or to a person related to the officer or employee by blood or marriage; or (2) the prosecuting authority or any individual working in the same office or a person related to the authority or individual by blood or marriage.

(d) Sales of forfeited vehicles under this section must be conducted in a commercially reasonable manner.

(e) If a vehicle is forfeited administratively under this section and no demand for judicial determination is made, the appropriate agency shall provide the prosecuting authority with a copy of the forfeiture or evidence receipt, the notice of seizure and intent to forfeit, a statement of probable cause for forfeiture of the property, and a description of the property and its estimated value. Upon review and certification by the prosecuting authority that (1) the appropriate agency provided a receipt in accordance with subdivision 2, paragraph (c), (2) the appropriate agency served notice in accordance with subdivision 8, and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate agency may dispose of the property in any of the ways listed in this subdivision.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 7. Minnesota Statutes 2020, section 169A.63, subdivision 13, is amended to read:

Subd. 13. **Exception.** (a) A forfeiture proceeding is stayed and the vehicle must be returned if the driver ~~who committed a designated offense or whose conduct resulted in a designated license revocation~~ becomes a program participant in the ignition interlock program under section 171.306 at any time before the motor vehicle is forfeited; ~~the forfeiture proceeding is stayed and the vehicle must be returned~~ and any of the following apply:

(1) the driver committed a designated offense other than a violation of section 169A.20 under the circumstances described in section 169A.24; or

(2) the driver is accepted into a treatment court dedicated to changing the behavior of alcohol- and other drug-dependent offenders arrested for driving while impaired.

(b) Notwithstanding paragraph (a), the vehicle whose forfeiture was stayed in paragraph (a) may be seized and the forfeiture action may proceed under this section if the program participant described in paragraph (a):

(1) subsequently operates a motor vehicle:

(i) to commit a violation of section 169A.20 (driving while impaired);

(ii) in a manner that results in a license revocation under section 169A.52 (license revocation for test failure or refusal) or 171.177 (revocation; search warrant) or a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52 or 171.177;

(iii) after tampering with, circumventing, or bypassing an ignition interlock device; or

(iv) without an ignition interlock device at any time when the driver's license requires such device; ~~or~~

(2) either voluntarily or involuntarily ceases to participate in the program for more than 30 days, or fails to successfully complete it as required by the Department of Public Safety due to:

(i) two or more occasions of the participant's driving privileges being withdrawn for violating the terms of the program, unless the withdrawal is determined to be caused by an error of the department or the interlock provider; or

(ii) violating the terms of the contract with the provider as determined by the provider; or

(3) if forfeiture was stayed after the driver entered a treatment court, the driver ceases to be a participant in the treatment court for any reason.

(c) Paragraph (b) applies only if the described conduct occurs before the participant has been restored to full driving privileges or within three years of the original designated offense or designated license revocation, whichever occurs latest.

(d) The requirement in subdivision 2, paragraph (b), that device manufacturers provide a discounted rate to indigent program participants applies also to device installation under this subdivision.

(e) An impound or law enforcement storage lot operator must allow an ignition interlock manufacturer sufficient access to the lot to install an ignition interlock device under this subdivision.

(f) Notwithstanding paragraph (a), an entity in possession of the vehicle is not required to release it until the reasonable costs of the towing, seizure, and storage of the vehicle have been paid by the vehicle owner.

(g) At any time prior to the vehicle being forfeited, the appropriate agency may require that the owner or driver of the vehicle ~~give security or post bond payable to the appropriate agency in an amount equal to the retail value surrender the title~~ of the seized vehicle. ~~If this occurs, any future forfeiture action against the vehicle must instead proceed against the security as if it were the vehicle.~~

~~(h) The appropriate agency may require an owner or driver to give security or post bond payable to the agency in an amount equal to the retail value of the vehicle, prior to releasing the vehicle from the impound lot to install an ignition interlock device.~~

~~(h)~~ (h) If an event described in paragraph (b) occurs in a jurisdiction other than the one in which the original forfeitable event occurred, and the vehicle is subsequently forfeited, the proceeds shall be divided equally, after payment of seizure, towing, storage, forfeiture, and sale expenses and satisfaction of valid liens against the vehicle, among the appropriate agencies and prosecuting authorities in each jurisdiction.

~~(i)~~ (i) Upon successful completion of the program, the stayed forfeiture proceeding is terminated or dismissed and any vehicle, security, or bond held by an agency must be returned to the owner of the vehicle.

~~(j)~~ (j) A claimant of a vehicle for which a forfeiture action was stayed under paragraph (a) but which later proceeds under paragraph (b), may file a demand for judicial forfeiture as provided in subdivision 8, in which case the forfeiture proceedings must be conducted as provided in subdivision 9.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 8. Minnesota Statutes 2020, section 169A.63, is amended by adding a subdivision to read:

Subd. 14. Subsequent unlawful use of seized vehicle; immunity. An appropriate agency or prosecuting authority, including but not limited to any peace officer as defined in section 626.84, subdivision 1, paragraph (c); prosecutor; or employee of an appropriate agency or prosecuting authority who, in good faith and within the course and scope of the official duties of the person or entity, returns a vehicle seized under this chapter to the owner pursuant to this section shall be immune from criminal or civil liability regarding any event arising out of the subsequent unlawful or unauthorized use of the motor vehicle.

EFFECTIVE DATE. This section is effective January 1, 2022.

Sec. 9. Minnesota Statutes 2020, section 609.531, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purpose of sections 609.531 to 609.5318, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation and includes, but is not limited to, a motor vehicle, trailer, snowmobile, airplane, and vessel and any equipment attached to it. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Weapon used" means a dangerous weapon as defined under section 609.02, subdivision 6, that the actor used or had in possession in furtherance of a crime.

(c) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(d) "Contraband" means property which is illegal to possess under Minnesota law.

(e) "Appropriate agency" means the Bureau of Criminal Apprehension, the Department of Commerce Fraud Bureau, the Minnesota Division of Driver and Vehicle Services, the Minnesota State Patrol, a county sheriff's department, the Three Rivers Park District ~~park rangers~~ Department of Public Safety, the Department of Natural Resources Division of Enforcement, the University of Minnesota Police Department, the Department of Corrections Fugitive Apprehension Unit, a city, metropolitan transit, or airport police department; or a multijurisdictional entity established under section 299A.642 or 299A.681.

(f) "Designated offense" includes:

(1) for weapons used: any violation of this chapter, chapter 152 or 624;

(2) for driver's license or identification card transactions: any violation of section 171.22; and

(3) for all other purposes: a felony violation of, or a felony-level attempt or conspiracy to violate, section 325E.17; 325E.18; 609.185; 609.19; 609.195; 609.2112; 609.2113; 609.2114; 609.221; 609.222; 609.223; 609.2231; 609.2335; 609.24; 609.245; 609.25; 609.255; 609.282; 609.283; 609.322; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.352; 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.525; 609.527; 609.528; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.611; 609.631; 609.66, subdivision 1e; 609.671, subdivisions 3, 4, 5, 8, and 12; 609.687; 609.821; 609.825; 609.86; 609.88; 609.89; 609.893; 609.895; 617.246; 617.247; or a gross misdemeanor or felony violation of section 609.891 or 624.7181; or any violation of section 609.324; or a felony violation of, or a felony-level attempt or conspiracy to violate, Minnesota Statutes 2012, section 609.21.

(g) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

(h) "Prosecuting authority" means the attorney who is responsible for prosecuting an offense that is the basis for a forfeiture under sections 609.531 to 609.5318.

(i) "Asserting person" means a person, other than the driver alleged to have used a vehicle in the transportation or exchange of a controlled substance intended for distribution or sale, claiming an ownership interest in a vehicle that has been seized or restrained under this section.

EFFECTIVE DATE. This section is effective January 1, 2022.

Sec. 10. Minnesota Statutes 2020, section 609.531, is amended by adding a subdivision to read:

Subd. 9. **Transfer of forfeitable property to federal government.** The appropriate agency shall not directly or indirectly transfer property subject to forfeiture under sections 609.531 to 609.5318 to a federal agency if the transfer would circumvent state law.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 11. Minnesota Statutes 2020, section 609.5311, subdivision 2, is amended to read:

Subd. 2. **Associated property.** (a) All personal property, and real and personal property, other than homestead property exempt from seizure under section 510.01, that has been used, or is intended for use, or has in any way facilitated, in whole or in part, the manufacturing, compounding, processing, delivering, importing, cultivating, exporting, transporting, or exchanging of contraband or a controlled substance that has not been lawfully manufactured, distributed, dispensed, and acquired is an instrument or represents the proceeds of a controlled substance offense is subject to forfeiture under this section, except as provided in subdivision 3.

(b) The Department of Corrections Fugitive Apprehension Unit shall not seize real property for the purposes of forfeiture under paragraph (a).

(c) Money is the property of an appropriate agency and may be seized and recovered by the appropriate agency if:

(1) the money is used by an appropriate agency, or furnished to a person operating on behalf of an appropriate agency, to purchase or attempt to purchase a controlled substance; and

(2) the appropriate agency records the serial number or otherwise marks the money for identification.

As used in this paragraph, "money" means United States currency and coin; the currency and coin of a foreign country; a bank check, cashier's check, or traveler's check; a prepaid credit card; cryptocurrency; or a money order.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 12. Minnesota Statutes 2020, section 609.5311, subdivision 3, is amended to read:

Subd. 3. **Limitations on forfeiture of certain property associated with controlled substances.** (a) A conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$75 ~~\$100~~ or more and the conveyance device ~~is associated with a felony level controlled substance crime~~ was used in the transportation or exchange of a controlled substance intended for distribution or sale.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance or contraband is \$2,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Forfeiture under this section of real property is subject to the interests of a good faith purchaser for value unless the purchaser had knowledge of or consented to the act or omission upon which the forfeiture is based.

(g) Notwithstanding paragraphs (d), (e), and (f), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if: (1) the owner or secured party took reasonable steps to terminate use of the property by the offender; or (2) the property is real property owned by the parent of the offender, unless the parent actively participated in, or knowingly acquiesced to, a violation of chapter 152, or the real property constitutes proceeds derived from or traceable to a use described in subdivision 2.

(h) Money is subject to forfeiture under this section only if it has a total value of \$1,500 or more or there is probable cause to believe that the money was exchanged for the purchase of a controlled substance. As used in this paragraph, "money" means United States currency and coin; the currency and coin of a foreign country; a bank check, cashier's check, or traveler's check; a prepaid credit card; cryptocurrency; or a money order.

~~(h)~~ (i) The Department of Corrections Fugitive Apprehension Unit shall not seize a conveyance device or real property, for the purposes of forfeiture under paragraphs (a) to (g).

(j) Nothing in this subdivision prohibits the seizure, with or without warrant, of any property or thing for the purpose of being produced as evidence on any trial or for any other lawful purpose.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 13. Minnesota Statutes 2020, section 609.5311, subdivision 4, is amended to read:

Subd. 4. **Records; proceeds.** ~~(a)~~ All books, records, and research products and materials, including formulas, microfilm, tapes, and data that are used, or intended for use in the manner described in subdivision 2 are subject to forfeiture.

~~(b) All property, real and personal, that represents proceeds derived from or traceable to a use described in subdivision 2 is subject to forfeiture.~~

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 14. Minnesota Statutes 2020, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. **Property subject to administrative forfeiture; presumption.** (a) The following are ~~presumed to be~~ subject to administrative forfeiture under this section:

(1) all money totaling \$1,500 or more, precious metals, and precious stones found in proximity to: that there is probable cause to believe represent the proceeds of a controlled substance offense;

~~(i) controlled substances;~~

~~(ii) forfeitable drug manufacturing or distributing equipment or devices; or~~

~~(iii) forfeitable records of manufacture or distribution of controlled substances;~~

(2) all money found in proximity to controlled substances when there is probable cause to believe that the money was exchanged for the purchase of a controlled substance;

~~(2) (3) all conveyance devices containing controlled substances with a retail value of \$100 or more if possession or sale of the controlled substance would be a felony under chapter 152 there is probable cause to believe that the conveyance device was used in the transportation or exchange of a controlled substance intended for distribution or sale; and~~

~~(3)~~ (4) all firearms, ammunition, and firearm accessories found:

(i) in a conveyance device used or intended for use to commit or facilitate the commission of a felony offense involving a controlled substance;

(ii) on or in proximity to a person from whom a felony amount of controlled substance is seized; or

(iii) on the premises where a controlled substance is seized and in proximity to the controlled substance, if possession or sale of the controlled substance would be a felony under chapter 152.

(b) The Department of Corrections Fugitive Apprehension Unit shall not seize items listed in paragraph (a), clauses ~~(2)~~ (3) and ~~(3)~~ (4), for the purposes of forfeiture.

~~(c) A claimant of the property bears the burden to rebut this presumption. Money is the property of an appropriate agency and may be seized and recovered by the appropriate agency if:~~

(1) the money is used by an appropriate agency, or furnished to a person operating on behalf of an appropriate agency, to purchase or attempt to purchase a controlled substance; and

(2) the appropriate agency records the serial number or otherwise marks the money for identification.

(d) As used in this section, "money" means United States currency and coin; the currency and coin of a foreign country; a bank check, cashier's check, or traveler's check; a prepaid credit card; cryptocurrency; or a money order.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 15. Minnesota Statutes 2020, section 609.5314, is amended by adding a subdivision to read:

Subd. 1a. **Innocent owner.** (a) Any person, other than the defendant driver, alleged to have used a vehicle in the transportation or exchange of a controlled substance intended for distribution or sale, claiming an ownership interest in a vehicle that has been seized or restrained under this section may assert that right by notifying the prosecuting authority in writing and within 60 days of the service of the notice of seizure.

(b) Upon receipt of notice pursuant to paragraph (a), the prosecuting authority may release the vehicle to the asserting person. If the prosecuting authority proceeds with the forfeiture, the prosecuting authority must, within 30 days, file a separate complaint in the name of the jurisdiction pursuing the forfeiture against the vehicle, describing the vehicle, specifying that the vehicle was used in the transportation or exchange of a controlled substance intended for distribution or sale, and specifying the time and place of the vehicle's unlawful use. The complaint may be filed in district court or conciliation court and the filing fee is waived.

(c) A complaint filed by the prosecuting authority must be served on the asserting person and on any other registered owners. Service may be made by certified mail at the address listed in the Department of Public Safety's computerized motor vehicle registration records or by any means permitted by court rules.

(d) The hearing on the complaint shall, to the extent practicable, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the complaint with a hearing on any other complaint involving a claim of an ownership interest in the same vehicle.

(e) At a hearing held pursuant to this subdivision, the state must prove by a preponderance of the evidence that:

(1) the seizure was incident to a lawful arrest or a lawful search; and

(2) the vehicle was used in the transportation or exchange of a controlled substance intended for distribution or sale.

(f) At a hearing held pursuant to this subdivision, the asserting person must prove by a preponderance of the evidence that the asserting person:

(1) has an actual ownership interest in the vehicle; and

(2) did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the asserting person took reasonable steps to prevent use of the vehicle by the alleged offender.

(g) If the court determines that the state met both burdens under paragraph (e) and the asserting person failed to meet any burden under paragraph (f), the court shall order that the vehicle remains subject to forfeiture under this section.

(h) The court shall order that the vehicle is not subject to forfeiture under this section and shall order the vehicle returned to the asserting person if it determines that:

(1) the state failed to meet any burden under paragraph (e);

(2) the asserting person proved both elements under paragraph (f); or

(3) clauses (1) and (2) apply.

(i) If the court determines that the asserting person is an innocent owner and orders the vehicle returned to the innocent owner, an entity in possession of the vehicle is not required to release the vehicle until the innocent owner pays:

(1) the reasonable costs of the towing, seizure, and storage of the vehicle incurred before the innocent owner provided the notice required under paragraph (a); and

(2) any reasonable costs of storage of the vehicle incurred more than two weeks after an order issued under paragraph (h).

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 16. Minnesota Statutes 2020, section 609.5314, subdivision 2, is amended to read:

Subd. 2. **Administrative forfeiture procedure.** (a) Forfeiture of property described in subdivision 1 that does not exceed \$50,000 in value is governed by this subdivision. Within 60 days from when seizure occurs, all persons known to have an ownership, possessory, or security interest in seized property must be notified of the seizure and the intent to forfeit the property. In the case of a motor vehicle required to be registered under chapter 168, notice mailed by certified mail to the address shown in Department of Public Safety records is deemed sufficient notice to the registered owner. The notification to a person known to have a security interest in seized property required under this paragraph applies only to motor vehicles required to be registered under chapter 168 and only if the security interest is listed on the vehicle's title. Upon motion by the appropriate agency or the prosecuting authority, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown.

(b) Notice may otherwise be given in the manner provided by law for service of a summons in a civil action. The notice must be in writing and contain:

(1) a description of the property seized;

(2) the date of seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English. This requirement does not preclude the appropriate agency from printing the notice in other languages in addition to English.

Substantially the following language must appear conspicuously in the notice:

"WARNING: If you were the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not file a lawsuit and serve the prosecuting authority within 60 days. You may file your lawsuit in conciliation court if the property is worth \$15,000 or less; otherwise, you must file in district court. You may do not have to pay a filing fee for your lawsuit ~~if you are unable to afford the fee. You do not have to pay a conciliation court fee if your property is worth less than \$500.~~

WARNING: If you have an ownership interest in the above-described property and were not the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not notify the prosecuting authority of your interest in writing within 60 days."

(c) If notice is not sent in accordance with paragraph (a), and no time extension is granted or the extension period has expired, the appropriate agency shall return the property to the person from whom the property was seized, if known. An agency's return of property due to lack of proper notice does not restrict the agency's authority to commence a forfeiture proceeding at a later time. The agency shall not be required to return contraband or other property that the person from whom the property was seized may not legally possess.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 17. Minnesota Statutes 2020, section 609.5314, subdivision 3, is amended to read:

Subd. 3. **Judicial determination.** (a) Within 60 days following service of a notice of seizure and forfeiture under this section, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority for that county, ~~and the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.04.~~ The claimant may serve the complaint on the prosecuting authority by any means permitted by court rules. If the value of the seized property is \$15,000 or less, the claimant may file an action in conciliation court for recovery of the seized property. ~~If the value of the seized property is less than \$500,~~ The claimant does not have to pay the ~~conciliation~~ court filing fee. No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The district court administrator shall schedule the hearing as soon as practicable after, and in any event no later than 90 days following, the conclusion of the criminal prosecution. The proceedings are governed by the Rules of Civil Procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff and the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 609.531, subdivision 6a. The limitations and defenses set forth in section 609.5311, subdivision 3, apply to the judicial determination.

(d) If a demand for judicial determination of an administrative forfeiture is filed under this subdivision and the court orders the return of the seized property, ~~the court shall order that filing fees be reimbursed to the person who filed the demand.~~ In addition, the court may order sanctions under section 549.211. If the court orders payment of these costs, they must be paid from forfeited money or proceeds from the sale of forfeited property from the appropriate law enforcement and prosecuting agencies in the same proportion as they would be distributed under section 609.5315, subdivision 5.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 18. Minnesota Statutes 2020, section 609.5315, subdivision 5, is amended to read:

Subd. 5. **Distribution of money.** The money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the money or proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement, training, education, crime prevention, equipment, or capital expenses;

(2) 20 percent of the money or proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes, training, education, crime prevention, equipment, or capital expenses; and

(3) the remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the general fund. Any local police relief association organized under chapter 423 which received or was entitled to receive the proceeds of any sale made under this section before the effective date of Laws 1988, chapter 665, sections 1 to 17, shall continue to receive and retain the proceeds of these sales.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 19. Minnesota Statutes 2020, section 609.5315, subdivision 5b, is amended to read:

Subd. 5b. **Disposition of certain forfeited proceeds; trafficking of persons; report required.** ~~(a)~~ Except as provided in subdivision 5c, for forfeitures resulting from violations of section 609.282, 609.283, or 609.322, the money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 40 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent of the proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent of the proceeds must be forwarded to the commissioner of health and are appropriated to the commissioner for distribution to crime victims services organizations that provide services to victims of trafficking offenses.

~~(b) By February 15 of each year, the commissioner of public safety shall report to the chairs and ranking minority members of the senate and house of representatives committees or divisions having jurisdiction over criminal justice funding on the money collected under paragraph (a), clause (3). The report must indicate the following relating to the preceding calendar year:~~

- ~~(1) the amount of money appropriated to the commissioner;~~
- ~~(2) how the money was distributed by the commissioner; and~~
- ~~(3) what the organizations that received the money did with it.~~

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 20. Minnesota Statutes 2020, section 609.5315, subdivision 6, is amended to read:

Subd. 6. **Reporting requirement.** (a) For each forfeiture occurring in the state regardless of the authority for it and including forfeitures pursued under federal law, the appropriate agency and the prosecuting authority shall provide a written record of the forfeiture incident to the state auditor. The record shall include:

- (1) the amount forfeited;
- (2) the statutory authority for the forfeiture, its;
- (3) the date, of the forfeiture;
- (4) a brief description of the circumstances involved, and;
- (5) whether the forfeiture was contested;
- (6) whether the defendant was convicted pursuant to a plea agreement or a trial;
- (7) whether there was a forfeiture settlement agreement;
- (8) whether the property was sold, destroyed, or retained by an appropriate agency;
- (9) the gross revenue from the disposition of the forfeited property;
- (10) an estimate of the total costs to the agency to store the property in an impound lot, evidence room, or other location; pay for the time and expenses of an appropriate agency and prosecuting authority to litigate forfeiture cases; and sell or dispose of the forfeited property;
- (11) the net revenue, determined by subtracting the costs identified under clause (10) from the gross revenue identified in clause (9), the appropriate agency received from the disposition of forfeited property;
- (12) if any property was retained by an appropriate agency, the purpose for which it is used;
- (13) for controlled substance and driving while impaired forfeitures, the record shall indicate whether the forfeiture was initiated as an administrative or a judicial forfeiture. The record shall also list;
- (14) the number of firearms forfeited and the make, model, and serial number of each firearm forfeited. The record shall indicate; and

(15) how the property was or is to be disposed of.

(b) An appropriate agency or the prosecuting authority shall report to the state auditor all instances in which property seized for forfeiture is returned to its owner either because forfeiture is not pursued or for any other reason.

(c) Each appropriate agency and prosecuting authority shall provide a written record regarding the proceeds of forfeited property, including proceeds received through forfeiture under state and federal law. The record shall include:

(1) the total amount of money or proceeds from the sale of forfeited property obtained or received by an appropriate agency or prosecuting authority in the previous reporting period;

(2) the manner in which each appropriate agency and prosecuting authority expended money or proceeds from the sale of forfeited property in the previous reporting period, including the total amount expended in the following categories:

(i) drug abuse, crime, and gang prevention programs;

(ii) victim reparations;

(iii) gifts or grants to crime victim service organizations that provide services to sexually exploited youth;

(iv) gifts or grants to crime victim service organizations that provide services to victims of trafficking offenses;

(v) investigation costs, including but not limited to witness protection, informant fees, and controlled buys;

(vi) court costs and attorney fees;

(vii) salaries, overtime, and benefits, as permitted by law;

(viii) professional outside services, including but not limited to auditing, court reporting, expert witness fees, outside attorney fees, and membership fees paid to trade associations;

(ix) travel, meals, and conferences;

(x) training and continuing education;

(xi) other operating expenses, including but not limited to office supplies, postage, and printing;

(xii) capital expenditures, including but not limited to vehicles, firearms, equipment, computers, and furniture;

(xiii) gifts or grants to nonprofit or other programs, indicating the recipient of the gift or grant; and

(xiv) any other expenditure, indicating the type of expenditure and, if applicable, the recipient of any gift or grant;

(3) the total value of seized and forfeited property held by an appropriate agency and not sold or otherwise disposed of; and

(4) a statement from the end of each year showing the balance of any designated forfeiture accounts maintained by an appropriate agency or prosecuting authority.

(e) (d) Reports under paragraphs (a) and (b) shall be made on a ~~monthly~~ quarterly basis in a manner prescribed by the state auditor and reports under paragraph (c) shall be made on an annual basis in a manner prescribed by the state auditor. The state auditor shall report annually to the legislature on the nature and extent of forfeitures.

including the information provided by each appropriate agency or prosecuting authority under paragraphs (a) to (c). Summary data on seizures, forfeitures, and expenditures of forfeiture proceeds shall be disaggregated by each appropriate agency and prosecuting authority. The report shall be made public on the state auditor's website.

~~(d)~~ (e) For forfeitures resulting from the activities of multijurisdictional law enforcement entities, the entity on its own behalf shall report the information required in this subdivision.

~~(e)~~ (f) The prosecuting authority is not required to report information required by ~~this subdivision~~ paragraph (a) or (b) unless the prosecuting authority has been notified by the state auditor that the appropriate agency has not reported it.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to seizures that take place on or after that date.

Sec. 21. **RECIDIVISM STUDY.**

The legislative auditor shall conduct or contract with an independent third-party vendor to conduct a comprehensive program audit on the efficacy of forfeiture and the use of ignition interlock in cases involving an alleged violation of Minnesota Statutes, section 169A.20. The audit shall assess the financial impact of the programs, the efficacy in reducing recidivism, and the impacts, if any, on public safety. The audit shall be conducted in accordance with generally accepted government auditing standards issued by the United States Government Accountability Office. The legislative auditor shall complete the audit no later than August 1, 2024, and shall report the results of the audit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over public safety by January 15, 2025.

EFFECTIVE DATE. This section is effective January 1, 2022.

Sec. 22. **REPEALER.**

Minnesota Statutes 2020, section 609.5317, is repealed.

EFFECTIVE DATE. This section is effective January 1, 2022."

Delete the title and insert:

"A bill for an act relating to judiciary; amending law and appropriating money for courts, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, and human rights; modifying criminal, civil, data practices, and forfeiture law; amending Minnesota Statutes 2020, sections 2.722, subdivision 1; 5B.02; 5B.05; 5B.10, subdivision 1; 13.045, subdivisions 1, 2, 3, 4a; 13.32, subdivision 3; 13.552, by adding a subdivision; 13.7931, by adding a subdivision; 13.82, by adding a subdivision; 13.824, subdivision 6; 13.825, subdivision 9; 13.856, subdivision 3; 144.225, subdivision 7; 169.99, subdivision 1c, by adding a subdivision; 169A.63, subdivisions 1, 7, 8, 9, 10, 13, by adding subdivisions; 260C.163, subdivision 3; 357.021, subdivisions 1a, 6; 357.17; 359.04; 363A.02, subdivision 1; 363A.06, subdivision 1; 363A.08, subdivision 6, by adding a subdivision; 363A.09, subdivisions 1, 2, by adding a subdivision; 363A.28, subdivisions 1, 6; 363A.31, subdivision 2; 363A.33, subdivision 3; 363A.36, subdivisions 1, 2, 3, 4, by adding a subdivision; 363A.44, subdivisions 2, 4, 9; 477A.03, subdivision 2b; 484.85; 514.977; 517.04; 517.08, subdivision 1b; 524.2-503; 590.01, subdivision 4; 609.101, subdivision 5; 609.531, subdivision 1, by adding a subdivision; 609.5311, subdivisions 2, 3, 4; 609.5314, subdivisions 1, 2, 3, by adding a subdivision; 609.5315, subdivisions 5, 5b, 6; 611.21; 611.27, subdivisions 9, 10, 11, 13, 15; Laws 2020, chapter 118, section 4; proposing coding for new law in Minnesota Statutes, chapters 3; 13; 62A; 84; 359; 363A; 611A; 634; repealing Minnesota Statutes 2020, section 609.5317."

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

The report was adopted.

Davnie from the Committee on Education Finance to which was referred:

H. F. No. 1065, A bill for an act relating to education finance; providing funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, teachers, special education, facilities, nutrition and libraries, early childhood, community education, and state agencies; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 119A.52; 120A.22, subdivision 9; 120B.02, subdivision 1; 120B.021, subdivisions 1, 2, 4; 120B.024, subdivision 1; 120B.11, subdivision 2; 122A.21; 122A.63, subdivisions 6, 9; 123A.05, subdivision 2; 123B.53, subdivisions 4, 5, 6; 124D.09, subdivision 8; 124D.095, subdivision 7; 124D.1158; 124D.151, subdivision 6; 124D.165, subdivision 3; 124D.531, subdivision 1; 124D.59, subdivision 2; 124D.65, subdivision 5; 124D.68, subdivisions 2, 9; 124D.74, subdivision 3; 124D.81; 125A.76, subdivision 2e; 126C.05, subdivisions 1, 3, 15, 17; 126C.10, subdivisions 2, 2a, 2d, 2e, 4; 126C.15, subdivisions 1, 2, 5; 126C.17, subdivisions 5, 6, 7; 126C.21, by adding a subdivision; 126C.44; 127A.49, subdivision 3; Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 2, as amended; article 10, section 5, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 122A; 124D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
GENERAL EDUCATION

Section 1. Minnesota Statutes 2020, section 120A.35, is amended to read:

120A.35 ABSENCE FROM SCHOOL FOR RELIGIOUS OBSERVANCE.

Reasonable efforts must be made by a school district to accommodate any pupil who wishes to be excused from a curricular activity for a religious observance. A school board must provide to parents annual notice of the school district's policy relating to a pupil's absence from school for religious observance.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 2. Minnesota Statutes 2020, section 120A.40, is amended to read:

120A.40 SCHOOL CALENDAR.

(a) Except for learning programs during summer, flexible learning year programs authorized under sections 124D.12 to 124D.127, and learning year programs under section 124D.128, a district must not commence an elementary or secondary school year before Labor Day, except as provided under paragraph (b). Days devoted to teachers' workshops may be held before Labor Day. Districts that enter into cooperative agreements are encouraged to adopt similar school calendars.

(b) A district may begin the school year on any day before Labor Day:

- (1) to accommodate a construction or remodeling project of \$400,000 or more affecting a district school facility;
- (2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35 with a district that qualifies under clause (1); or
- (3) if the district agrees to the same schedule with a school district in an adjoining state.

(c) A school board may consider the community's religious or cultural observances when adopting an annual school calendar.

Sec. 3. Minnesota Statutes 2020, section 124D.59, subdivision 2, is amended to read:

Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through grade 12, an early childhood special education student under Part B, section 619 of IDEA, or a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151 or a school readiness plus program who meets the requirements under subdivision 2a or the following requirements:

(1) the pupil, as declared by a parent or guardian first learned a language other than English, comes from a home where the language usually spoken is other than English, or usually speaks a language other than English; and

(2) the pupil is determined by a valid assessment measuring the pupil's English language proficiency and by developmentally appropriate measures, which might include observations, teacher judgment, parent recommendations, or developmentally appropriate assessment instruments, to lack the necessary English skills to participate fully in academic classes taught in English.

(b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the previous school year took a commissioner-provided assessment measuring the pupil's emerging academic English, shall be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall generate state English learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff score or is otherwise counted as a nonproficient participant on the assessment measuring the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic language proficiency in English, including oral academic language, sufficient to successfully and fully participate in the general core curriculum in the regular classroom.

(c) Notwithstanding paragraphs (a) and (b), a pupil in early childhood special education or prekindergarten under section 124D.151, through grade 12 shall not be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall not generate state English learner aid under section 124D.65, subdivision 5, if:

(1) the pupil is not enrolled during the current fiscal year in an educational program for English learners under sections 124D.58 to 124D.64; or

(2) the pupil has generated seven or more years of average daily membership in Minnesota public schools since July 1, 1996.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 4. Minnesota Statutes 2020, section 124D.65, subdivision 5, is amended to read:

Subd. 5. **School district EL revenue.** (a) The English learner programs initial allowance equals \$704 for fiscal year 2021. The English learner programs allowance equals \$755 for fiscal year 2022. The English learner programs initial allowance for fiscal year 2023 and later equals the product of \$755 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2022.

(b) The English learner programs concentration allowance equals \$250 for fiscal year 2021. The English learner programs concentration allowance equals \$536 for fiscal year 2022. The English learner programs concentration allowance for fiscal year 2023 and later equals the product of \$536 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2022.

~~(a)~~ (c) A district's English learner programs initial revenue equals the product of (1) \$704 the English learner programs initial allowance times (2) the greater of 20 or the adjusted average daily membership of eligible English learners enrolled in the district during the current fiscal year.

(d) A district's English learner programs concentration revenue equals the product of the English learner programs concentration allowance times the English learner pupil units under section 126C.05, subdivision 17.

(e) A district's English learner programs revenue equals the sum of the initial revenue under paragraph (c) and the concentration revenue under paragraph (d).

~~(b)~~ (f) A pupil ceases to generate state English learner aid in the school year following the school year in which the pupil attains the state cutoff score on a commissioner-provided assessment that measures the pupil's emerging academic English.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 5. Minnesota Statutes 2020, section 124D.79, subdivision 2, is amended to read:

Subd. 2. **Technical assistance.** The commissioner shall provide technical assistance, which includes an annual report of American Indian student data using the state count, to districts, schools and postsecondary institutions for preservice and in-service training for teachers, American Indian education teachers and paraprofessionals specifically designed to implement culturally responsive teaching methods, culturally based curriculum development, testing and testing mechanisms, and the development of materials for American Indian education programs.

Sec. 6. Minnesota Statutes 2020, section 124D.81, subdivision 1, is amended to read:

Subdivision 1. **Procedures.** A school district, charter school, or American Indian-controlled Tribal contract or grant school enrolling at least 20 American Indian students identified by the state count on October 1 of the previous school year and operating an American Indian education program according to section 124D.74 is eligible for Indian education aid if it meets the requirements of this section. Programs may provide for contracts for the provision of program components by nonsectarian nonpublic, community, Tribal, charter, or alternative schools. The commissioner shall prescribe the form and manner of application for aids, and no aid shall be made for a program not complying with the requirements of sections 124D.71 to 124D.82.

Sec. 7. Minnesota Statutes 2020, section 126C.05, subdivision 1, is amended to read:

Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in average daily membership enrolled in the district of residence, in another district under sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled in a program approved by the commissioner and has an individualized education program is counted as the ratio of the number of hours of assessment and education service to 825 times 1.0 with a minimum average daily membership of 0.28, but not more than 1.0 pupil unit.

(b) A prekindergarten pupil who is assessed but determined not to be disabled is counted as the ratio of the number of hours of assessment service to 825 times 1.0.

(c) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individualized education program to 875, but not more than one.

(d) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled in an approved voluntary prekindergarten program under section 124D.151 is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units.

(e) A kindergarten pupil who is not included in paragraph (c) is counted as 1.0 pupil unit if the pupil is enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school that meets the minimum hours requirement in section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school.

(f) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.

(g) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.

(h) A pupil who is in the postsecondary enrollment options program is counted as 1.2 pupil units.

(i) ~~For fiscal years 2018 through 2021,~~ A prekindergarten pupil who:

(1) is not included in paragraph (a), (b), or (d);

(2) is enrolled in a school readiness plus program under Laws 2017, First Special Session chapter 5, article 8, section 9; and

(3) has one or more of the risk factors specified by the eligibility requirements for a school readiness plus program,

is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units. A pupil qualifying under this paragraph must be counted in the same manner as a voluntary prekindergarten student for all general education and other school funding formulas.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 8. Minnesota Statutes 2020, section 126C.05, subdivision 3, is amended to read:

Subd. 3. **Compensation revenue pupil units.** Compensation revenue pupil units ~~for fiscal year 1998 and thereafter~~ must be computed according to this subdivision.

(a) The compensation revenue concentration percentage for each building in a district equals the product of 100 times the ratio of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free lunch plus one-half of the pupils eligible to receive reduced priced lunch on October 1 of the previous fiscal year; to

(2) the number of pupils enrolled in the building on October 1 of the previous fiscal year.

(b) The compensation revenue pupil weighting factor for a building equals ~~the lesser of one or~~ the quotient obtained by dividing the building's compensation revenue concentration percentage by 80.0.

(c) The compensation revenue pupil units for a building equals the product of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free lunch and one-half of the pupils eligible to receive reduced priced lunch on October 1 of the previous fiscal year; times

(2) the compensation revenue pupil weighting factor for the building; times

(3) .60.

(d) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten programs under section 124D.151, charter schools, and contracted alternative programs in the first year of operation, compensation revenue pupil units shall be computed using data for the current fiscal year. If the voluntary prekindergarten program, charter school, or contracted alternative program begins operation after October 1, compensatory revenue pupil units shall be computed based on pupils enrolled on an alternate date determined by the commissioner, and the compensation revenue pupil units shall be prorated based on the ratio of the number of days of student instruction to 170 days.

~~(e) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten seats discontinued in fiscal year 2022 due to the reduction in the participation limit under section 124D.151, subdivision 6, those discontinued seats must not be used to calculate compensation revenue pupil units for fiscal year 2022.~~

~~(e)~~ (e) The percentages in this subdivision must be based on the count of individual pupils and not on a building average or minimum.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 9. Minnesota Statutes 2020, section 126C.05, subdivision 17, is amended to read:

Subd. 17. **English learner pupil units.** (a) English learner pupil units for fiscal year ~~2004 and thereafter~~ 2022 and later shall be determined according to this subdivision.

(b) The English learner concentration percentage for a district equals the product of 100 times the ratio of:

(1) the number of eligible English learners in average daily membership enrolled in the district during the current fiscal year; to

(2) the number of pupils in average daily membership enrolled in the district.

(c) ~~For fiscal year 2021,~~ the English learner pupil units for each eligible English learner in average daily membership equals the lesser of one or the quotient obtained by dividing the English learner concentration percentage for the pupil's district of enrollment by 11.5. For fiscal year 2022 and later, the English learner pupil units for each eligible English learner in average daily membership equals the lesser of one or the quotient obtained by dividing the English learner concentration percentage for the pupil's district of enrollment by 16.8.

(d) English learner pupil units shall be counted by the district of enrollment.

(e) Notwithstanding paragraph (d), for the purposes of this subdivision, pupils enrolled in a cooperative or intermediate school district shall be counted by the district of residence.

(f) For the purposes of this subdivision, the terms defined in section 124D.59 have the same meaning.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 10. Minnesota Statutes 2020, section 126C.10, subdivision 2, is amended to read:

Subd. 2. **Basic revenue.** (a) The basic revenue for each district equals the formula allowance times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year 2019 is \$6,312. The formula allowance for fiscal year 2020 is \$6,438.~~ The formula allowance for fiscal year 2021 ~~and later~~ is \$6,567.

(b) The formula allowance for fiscal year 2022 is \$6,698. The formula allowance for fiscal year 2023 is \$6,832. The formula allowance for fiscal year 2024 is \$6,866. The formula allowance for fiscal year 2025 is \$6,900.

(c) For fiscal year 2026 and later, the formula equals the formula allowance for fiscal year 2025 times the inflationary increase for that year.

(d) For purposes of this subdivision, "inflationary increase" means one plus the percentage change in the Consumer Price Index for urban consumers, as prepared by the United States Bureau of Labor Standards, from the current fiscal year to fiscal year 2025.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 11. Minnesota Statutes 2020, section 126C.10, subdivision 2a, is amended to read:

Subd. 2a. **Extended time revenue.** (a) The extended time allowance is \$5,117 for fiscal years 2022 and 2023. For fiscal year 2024 and later, the extended time allowance equals the product of \$5,117 times the ratio of the formula allowance under subdivision 2 for the current fiscal year to the formula allowance under subdivision 2 for fiscal year 2023.

~~(a)~~ (b) A school district's extended time revenue is equal to the product of ~~\$5,117~~ the extended time allowance and the sum of the adjusted pupil units of the district for each pupil in average daily membership in excess of 1.0 and less than 1.2 according to section 126C.05, subdivision 8.

~~(b)~~ (c) Extended time revenue for pupils placed in an on-site education program at the Prairie Lakes Education Center or the Lake Park School, located within the borders of Independent School District No. 347, Willmar, for instruction provided after the end of the preceding regular school year and before the beginning of the following regular school year equals membership hours divided by the minimum annual instructional hours in section 126C.05, subdivision 15, not to exceed 0.20, times the pupil unit weighting in section 126C.05, subdivision 1, times ~~\$5,117~~ the extended time allowance.

~~(c)~~ (d) A school district qualifies for extended time revenue for every pupil placed in a children's residential facility, whether the education services are provided on-site or off-site for instruction provided after the end of the preceding regular school year and before the beginning of the following regular school year. Extended time revenue under this paragraph equals total membership hours in summer instruction divided by the minimum annual instructional hours in section 126C.05, subdivision 15, not to exceed 0.20, times the pupil unit weighting in section 126C.05, subdivision 1, times the extended time allowance.

(e) For purposes of this subdivision, "children's residential facility" means a residential facility for children, including a psychiatric residential treatment facility, licensed by the Department of Human Services or the Department of Corrections and subject to Minnesota Rules, chapter 2960 or an inpatient hospitalization that includes mental health services.

(f) A school district's extended time revenue may be used for extended day programs, extended week programs, summer school, vacation break academies such as spring break academies and summer term academies, and other programming authorized under the learning year program.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 12. Minnesota Statutes 2020, section 126C.10, subdivision 2e, is amended to read:

Subd. 2e. **Local optional revenue.** (a) ~~For fiscal year 2020, local optional revenue for a school district equals \$424 times the adjusted pupil units of the district for that school year.~~ For fiscal year 2021 and later, local optional revenue for a school district equals the sum of the district's first tier local optional revenue and second tier local optional revenue. A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the district for that school year. A district's second tier local optional revenue equals \$424 times the adjusted pupil units of the district for that school year.

~~(b) For fiscal year 2020, a district's local optional levy equals its local optional revenue times the lesser of one or the ratio of its referendum market value per resident pupil unit to \$510,000.~~

(b) For fiscal year 2021 and later, a district's local optional levy equals the sum of the first tier local optional levy and the second tier local optional levy.

(c) A district's first tier local optional levy equals the district's first tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.

(d) For fiscal year 2022, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$510,000. For fiscal year 2023, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$557,256. For fiscal year 2024, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$545,965. For fiscal year 2025 and later, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$553,650.

(e) The local optional levy must be spread on referendum market value. A district may levy less than the permitted amount.

~~(f)~~ (f) A district's local optional aid equals its local optional revenue minus its local optional levy. If a district's actual levy for first or second tier local optional revenue is less than its maximum levy limit for that tier, its aid must be proportionately reduced.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 13. Minnesota Statutes 2020, section 126C.10, subdivision 4, is amended to read:

Subd. 4. **Basic skills revenue.** A school district's basic skills revenue equals the sum of:

(1) compensatory revenue under subdivision 3; plus

(2) English learner revenue under section 124D.65, subdivision 5; ~~plus, paragraph (e).~~

~~(3) \$250 times the English learner pupil units under section 126C.05, subdivision 17.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 14. Minnesota Statutes 2020, section 126C.10, subdivision 18a, is amended to read:

Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special school district's transportation sparsity revenue under subdivision 18 is increased by the greater of zero or ~~18.2~~ 30 percent of the difference between:

(1) the lesser of the district's total cost for regular and excess pupil transportation under section 123B.92, subdivision 1, paragraph (b), including depreciation, for the previous fiscal year or 105 percent of the district's total cost for the second previous fiscal year; and

(2) the sum of:

(i) 4.66 percent of the district's basic revenue for the previous fiscal year;

(ii) transportation sparsity revenue under subdivision 18 for the previous fiscal year;

(iii) the district's charter school transportation adjustment for the previous fiscal year; and

(iv) the district's reimbursement for transportation provided under section 123B.92, subdivision 1, paragraph (b), clause (1), item (vi).

(b) A charter school's pupil transportation adjustment equals the school district per pupil adjustment under paragraph (a).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 15. Minnesota Statutes 2020, section 126C.15, subdivision 1, is amended to read:

Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10, subdivision 4, must be reserved and ~~used~~ must be spent on evidence-based practices to meet the educational needs of pupils who enroll under-prepared to learn and whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age. Basic skills revenue may also be used for programs designed to prepare children and their families for entry into school whether the student first enrolls in kindergarten or first grade. ~~Any of the following may be provided to meet these learners' needs~~ Evidence-based practices may be provided in the following areas:

(1) direct instructional services under the assurance of mastery program according to section 124D.66;

(2) remedial instruction in reading, language arts, mathematics, other content areas, or study skills to improve the achievement level of these learners;

(3) additional teachers and teacher aides to provide more individualized instruction to these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;

(4) a longer school day or week during the regular school year ~~or through a summer program that may be offered directly by the site or under a performance-based contract with a community-based organization;~~

(5) comprehensive and ongoing staff development consistent with district and site plans according to section 122A.60 and to implement plans under section 120B.12, subdivision 4a, for teachers, teacher aides, principals, and other personnel to improve their ability to identify the needs of these learners and provide appropriate remediation, intervention, accommodations, or modifications;

(6) instructional materials, digital learning, and technology appropriate for meeting the individual needs of these learners;

(7) programs to reduce truancy, encourage completion of high school, enhance self-concept, provide health services, provide nutrition services, provide a safe and secure learning environment, provide coordination for pupils receiving services from other governmental agencies, provide psychological services to determine the level of social, emotional, cognitive, and intellectual development, and provide counseling services, guidance services, and social work services;

(8) bilingual programs, bicultural programs, and programs for English learners;

~~(9) all day kindergarten;~~

~~(10) (9) early education programs, parent-training programs, school readiness programs, kindergarten voluntary prekindergarten and school readiness plus programs for four-year-olds, voluntary home visits under section 124D.13, subdivision 4, and other outreach efforts designed to prepare children for kindergarten;~~

~~(11) (10) extended school day and extended school year programs, including summer programs that may be offered directly by the site or under a performance-based contract with a community-based organization; and~~

~~(12) (11) substantial parent involvement in developing and implementing remedial education or intervention plans for a learner, including learning contracts between the school, the learner, and the parent that establish achievement goals and responsibilities of the learner and the learner's parent or guardian; and~~

~~(13) (12) for transfer to the school nutrition fund for shortfalls for districts participating in the Community Eligibility Provision program.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 16. Minnesota Statutes 2020, section 126C.15, subdivision 2, is amended to read:

Subd. 2. **Building allocation.** (a) A district or cooperative must allocate its compensatory revenue to each school building in the district or cooperative where the children who have generated the revenue are served unless the school district or cooperative has received permission under Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory revenue according to student performance measures developed by the school board.

(b) Notwithstanding paragraph (a), a district or cooperative may allocate up to ~~50~~ 20 percent of the amount of compensatory revenue that the district receives to school sites according to a plan adopted by the school board. The money reallocated under this paragraph must be spent for the purposes listed in subdivision 1, but may be spent on students in any grade, including students attending school readiness or other prekindergarten programs.

(c) For the purposes of this section and section 126C.05, subdivision 3, "building" means education site as defined in section 123B.04, subdivision 1.

(d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated by students served at a cooperative unit shall be paid to the cooperative unit.

(e) A district or cooperative with school building openings, school building closings, changes in attendance area boundaries, or other changes in programs or student demographics between the prior year and the current year may reallocate compensatory revenue among sites to reflect these changes. A district or cooperative must report to the department any adjustments it makes according to this paragraph and the department must use the adjusted compensatory revenue allocations in preparing the report required under section 123B.76, subdivision 3, paragraph (c).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 17. Minnesota Statutes 2020, section 126C.15, subdivision 5, is amended to read:

Subd. 5. **Annual expenditure report.** Each year a district that receives basic skills revenue must submit a report identifying the expenditures it incurred to meet the needs of eligible learners under subdivision 1. The report must conform to uniform financial and reporting standards established for this purpose and provide a breakdown by functional area. Using valid and reliable data and measurement criteria, the report also must determine whether increased expenditures raised student achievement levels.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 18. Minnesota Statutes 2020, section 126C.17, is amended by adding a subdivision to read:

Subd. 9b. **Renewal by school board.** (a) Notwithstanding the election requirements of subdivision 9, a school board may renew an expiring referendum by board action if:

(1) the per-pupil amount of the referendum is the same as the amount expiring, or for an expiring referendum that was adjusted annually by the rate of inflation, the same as the per-pupil amount of the expiring referendum, adjusted annually for inflation in the same manner as if the expiring referendum had continued;

(2) the term of the renewed referendum is no longer than the initial term approved by the voters; and

(3) the school board has adopted a written resolution authorizing the renewal after holding a meeting and allowing public testimony on the proposed renewal.

(b) The resolution must be adopted by the school board by June 15 of any calendar year and becomes effective 60 days after its adoption.

(c) A referendum expires in the last fiscal year in which the referendum generates revenue for the school district. A school board may renew an expiring referendum under this subdivision not more than two fiscal years before the referendum expires.

(d) A district renewing an expiring referendum under this subdivision must submit a copy of the adopted resolution to the commissioner and to the county auditor no later than September 1 of the calendar year in which the levy is certified.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 19. Minnesota Statutes 2020, section 127A.49, subdivision 3, is amended to read:

Subd. 3. **Excess tax increment.** (a) If a return of excess tax increment is made to a district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

(b) An amount must be subtracted from the district's aid for the current fiscal year equal to the product of:

(1) the amount of the payment of excess tax increment to the district in the preceding year, times

(2) the ratio of:

(i) the sum of the amounts of the district's certified levy ~~for the fiscal year in which the excess tax increment is paid~~ in the third preceding year according to the following:

(A) section 123B.57, if the district received health and safety aid according to that section for the second preceding year;

(B) section 124D.20, if the district received aid for community education programs according to that section for the second preceding year;

(C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year;

(D) section 126C.17, subdivision 6, if the district received referendum equalization aid according to that section for the second preceding year;

(E) section 126C.10, subdivision 13a, if the district received operating capital aid according to section 126C.10, subdivision 13b, in the second preceding year;

(F) section 126C.10, subdivision 29, if the district received equity aid according to section 126C.10, subdivision 30, in the second preceding year;

(G) section 126C.10, subdivision 32, if the district received transition aid according to section 126C.10, subdivision 33, in the second preceding year;

(H) section 123B.53, subdivision 5, if the district received debt service equalization aid according to section 123B.53, subdivision 6, in the second preceding year;

(I) section 123B.535, subdivision 4, if the district received natural disaster debt service equalization aid according to section 123B.535, subdivision 5, in the second preceding year;

(J) section 124D.22, subdivision 3, if the district received school-age care aid according to section 124D.22, subdivision 4, in the second preceding year; and

(K) section 122A.415, subdivision 5, if the district received alternative teacher compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a), in the second preceding year; to

(ii) the total amount of the district's certified levy ~~for the fiscal~~ in the third preceding year, plus or minus auditor's adjustments.

(c) An amount must be subtracted from the school district's levy limitation for the next levy certified equal to the difference between:

(1) the amount of the distribution of excess increment; and

(2) the amount subtracted from aid pursuant to clause (a).

If the aid and levy reductions required by this subdivision cannot be made to the aid for the fiscal year specified or to the levy specified, the reductions must be made from aid for subsequent fiscal years, and from subsequent levies. The school district must use the payment of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

(d) This subdivision applies only to the total amount of excess increments received by a district for a calendar year that exceeds \$25,000.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 20. Minnesota Statutes 2020, section 290.0679, subdivision 2, is amended to read:

Subd. 2. **Conditions for assignment.** A qualifying taxpayer may assign all or part of an anticipated refund for the current and future taxable years to a financial institution or a qualifying organization. A financial institution or qualifying organization accepting assignment must pay the amount secured by the assignment to a third-party vendor. The commissioner of education shall, upon request from a third-party vendor, certify that the vendor's products and services qualify for the education credit. A denial of a certification ~~is subject to the contested case procedure under~~ may be appealed to the commissioner of education notwithstanding chapter 14. A financial institution or qualifying organization that accepts assignments under this section must verify as part of the assignment documentation that the product or service to be provided by the third-party vendor has been certified by the commissioner of education as qualifying for the education credit. The amount assigned for the current and future taxable years may not exceed the maximum allowable education credit for the current taxable year. Both the taxpayer and spouse must consent to the assignment of a refund from a joint return.

Sec. 21. Minnesota Statutes 2020, section 469.176, subdivision 2, is amended to read:

Subd. 2. **Excess increments.** (a) The authority shall annually determine the amount of excess increments for a district, if any. This determination must be based on the tax increment financing plan in effect on December 31 of the year and the increments and other revenues received as of December 31 of the year. The authority must spend or return the excess increments under paragraph (c) within nine months after the end of the year.

(b) For purposes of this subdivision, "excess increments" equals the excess of:

(1) total increments collected from the district since its certification, reduced by any excess increments paid under paragraph (c), clause (4), for a prior year, over

(2) the total costs authorized by the tax increment financing plan to be paid with increments from the district, reduced, but not below zero, by the sum of:

(i) the amounts of those authorized costs that have been paid from sources other than tax increments from the district;

(ii) revenues, other than tax increments from the district, that are dedicated for or otherwise required to be used to pay those authorized costs and that the authority has received and that are not included in item (i);

(iii) the amount of principal and interest obligations due on outstanding bonds after December 31 of the year and not prepaid under paragraph (c) in a prior year; and

(iv) increased by the sum of the transfers of increments made under section 469.1763, subdivision 6, to reduce deficits in other districts made by December 31 of the year.

(c) The authority shall use excess increment only to do one or more of the following:

(1) prepay any outstanding bonds;

(2) discharge the pledge of tax increment for any outstanding bonds;

(3) pay into an escrow account dedicated to the payment of any outstanding bonds; or

(4) return the excess amount to the county auditor who shall distribute the excess amount to the city or town, county, and school district in which the tax increment financing district is located in direct proportion to their respective local tax rates.

(d) For purposes of a district for which the request for certification was made prior to August 1, 1979, excess increments equal the amount of increments on hand on December 31, less the principal and interest obligations due on outstanding bonds or advances, qualifying under subdivision 1c, clauses (1), (2), (4), and (5), after December 31 of the year and not prepaid under paragraph (c).

(e) The county auditor must, prior to February 1 of each year, report to the commissioner of education the amount of any excess tax increment distributed to a school district ~~within 30 days of the distribution~~ for the preceding taxable year.

(f) For purposes of this subdivision, "outstanding bonds" means bonds which are secured by increments from the district.

(g) The state auditor may exempt an authority from reporting the amounts calculated under this subdivision for a calendar year, if the authority certifies to the auditor in its report that the total amount authorized by the tax increment plan to be paid with increments from the district exceeds the sum of the total increments collected for the district for all years by 20 percent.

Sec. 22. **APPROPRIATIONS.**

Subdivision 1. Department of Education. The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. General education aid. For general education aid under Minnesota Statutes, section 126C.13, subdivision 4:

<u>\$7,563,143,000</u>	<u>.....</u>	<u>2022</u>
<u>\$7,801,734,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$717,326,000 for 2021 and \$6,845,817,000 for 2022.

The 2023 appropriation includes \$760,646,000 for 2022 and \$7,041,088,000 for 2023.

Subd. 3. Enrollment options transportation. For transportation of pupils attending postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

<u>\$12,000</u>	<u>.....</u>	<u>2022</u>
<u>\$13,000</u>	<u>.....</u>	<u>2023</u>

Subd. 4. Abatement aid. For abatement aid under Minnesota Statutes, section 127A.49:

<u>\$2,897,000</u>	<u>.....</u>	<u>2022</u>
<u>\$3,558,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$269,000 for 2021 and \$2,628,000 for 2022.

The 2023 appropriation includes \$291,000 for 2022 and \$3,267,000 for 2023.

Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota Statutes, section 123A.485:

<u>\$309,000</u>	.....	<u>2022</u>
<u>\$373,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$30,000 for 2021 and \$279,000 for 2022.

The 2023 appropriation includes \$31,000 for 2022 and \$342,000 for 2023.

Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

<u>\$17,173,000</u>	.....	<u>2022</u>
<u>\$17,864,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$1,996,000 for 2021 and \$15,177,000 for 2022.

The 2023 appropriation includes \$1,686,000 for 2022 and \$16,178,000 for 2023.

Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under Minnesota Statutes, section 123B.92, subdivision 9:

<u>\$19,692,000</u>	.....	<u>2022</u>
<u>\$19,809,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$1,964,000 for 2021 and \$17,728,000 for 2022.

The 2023 appropriation includes \$1,969,000 for 2022 and \$17,840,000 for 2023.

Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690, Warroad, to operate the Angle Inlet School:

<u>\$65,000</u>	.....	<u>2022</u>
<u>\$65,000</u>	.....	<u>2023</u>

Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota Statutes, section 124D.4531, subdivision 1b:

<u>\$2,700,000</u>	.....	<u>2022</u>
<u>\$2,307,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$323,000 for 2021 and \$2,377,000 for 2022.

The 2023 appropriation includes \$264,000 for 2022 and \$2,043,000 for 2023.

Subd. 10. **Pregnant and parenting pupil transportation reimbursement.** (a) To reimburse districts for transporting pregnant or parenting pupils under Minnesota Statutes, section 123B.92, subdivision 1, paragraph (b), clause (1), item (vi):

<u>\$56,000</u>	.....	<u>2022</u>
<u>\$55,000</u>	.....	<u>2023</u>

(b) To receive reimbursement, districts must apply using the form and manner of application prescribed by the commissioner. If the appropriation is insufficient, the commissioner must prorate the amount paid to districts seeking reimbursement.

(c) Any balance in the first year does not cancel but is available in the second year.

ARTICLE 2 EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2020, section 13.32, subdivision 3, is amended to read:

Subd. 3. **Private data; when disclosure is permitted.** Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

- (a) pursuant to section 13.05;
- (b) pursuant to a valid court order;
- (c) pursuant to a statute specifically authorizing access to the private data;
- (d) to disclose information in health, including mental health, and safety emergencies pursuant to the provisions of United States Code, title 20, section 1232g(b)(1)(I) and Code of Federal Regulations, title 34, section 99.36;
- (e) pursuant to the provisions of United States Code, title 20, sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3), (b)(6), (b)(7), and (i), and Code of Federal Regulations, title 34, sections 99.31, 99.32, 99.33, 99.34, 99.35, and 99.39;
- (f) to appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
- (g) when disclosure is required for institutions that participate in a program under title IV of the Higher Education Act, United States Code, title 20, section 1092;
- (h) to the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a postsecondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction;
- (i) to appropriate authorities as provided in United States Code, title 20, section 1232g(b)(1)(E)(ii), if the data concern the juvenile justice system and the ability of the system to effectively serve, prior to adjudication, the student whose records are released; provided that the authorities to whom the data are released submit a written request for the data that certifies that the data will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student and the request and a record of the release are maintained in the student's file;
- (j) to volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
- (k) to provide student recruiting information, from educational data held by colleges and universities, as required by and subject to Code of Federal Regulations, title 32, section 216;

(l) to the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;

(m) with respect to Social Security numbers of students in the adult basic education system, to Minnesota State Colleges and Universities and the Department of Employment and Economic Development for the purpose and in the manner described in section 124D.52, subdivision 7;

(n) to the commissioner of education for purposes of an assessment or investigation of a report of alleged maltreatment of a student as mandated by chapter 260E. Upon request by the commissioner of education, data that are relevant to a report of maltreatment and are from charter school and school district investigations of alleged maltreatment of a student must be disclosed to the commissioner, including, but not limited to, the following:

(1) information regarding the student alleged to have been maltreated;

(2) information regarding student and employee witnesses;

(3) information regarding the alleged perpetrator; and

(4) what corrective or protective action was taken, if any, by the school facility in response to a report of maltreatment by an employee or agent of the school or school district;

(o) when the disclosure is of the final results of a disciplinary proceeding on a charge of a crime of violence or nonforcible sex offense to the extent authorized under United States Code, title 20, section 1232g(b)(6)(A) and (B) and Code of Federal Regulations, title 34, sections 99.31 (a)(13) and (14);

(p) when the disclosure is information provided to the institution under United States Code, title 42, section 14071, concerning registered sex offenders to the extent authorized under United States Code, title 20, section 1232g(b)(7); ~~or~~

(q) when the disclosure is to a parent of a student at an institution of postsecondary education regarding the student's violation of any federal, state, or local law or of any rule or policy of the institution, governing the use or possession of alcohol or of a controlled substance, to the extent authorized under United States Code, title 20, section 1232g(i), and Code of Federal Regulations, title 34, section 99.31 (a)(15), and provided the institution has an information release form signed by the student authorizing disclosure to a parent. The institution must notify parents and students about the purpose and availability of the information release forms. At a minimum, the institution must distribute the information release forms at parent and student orientation meetings; or

(r) with Tribal Nations about Tribally enrolled or descendant students to the extent necessary for the Tribal Nation and school district or charter school to support the educational attainment of the student.

Sec. 2. Minnesota Statutes 2020, section 120A.22, subdivision 7, is amended to read:

Subd. 7. **Education records.** (a) A district, a charter school, or a nonpublic school that receives services or aid under sections 123B.40 to 123B.48 from which a student is transferring must transmit the student's educational records, within ten business days of a request, to the district, the charter school, or the nonpublic school in which the student is enrolling. Districts, charter schools, and nonpublic schools that receive services or aid under sections 123B.40 to 123B.48 must make reasonable efforts to determine the district, the charter school, or the nonpublic school in which a transferring student is next enrolling in order to comply with this subdivision.

(b) A closed charter school must transfer the student's educational records, within ten business days of the school's closure, to the student's school district of residence where the records must be retained unless the records are otherwise transferred under this subdivision.

(c) A school district, a charter school, or a nonpublic school that receives services or aid under sections 123B.40 to 123B.48 that transmits a student's educational records to another school district or other educational entity, charter school, or nonpublic school to which the student is transferring must include in the transmitted records information about any formal suspension, expulsion, and exclusion disciplinary action, as well as pupil withdrawals, under sections 121A.40 to 121A.56. The transmitted records must include services a pupil needs to prevent the inappropriate behavior from recurring. The district, the charter school, or the nonpublic school that receives services or aid under sections 123B.40 to 123B.48 must provide notice to a student and the student's parent or guardian that formal disciplinary records will be transferred as part of the student's educational record, in accordance with data practices under chapter 13 and the Family Educational Rights and Privacy Act of 1974, United States Code, title 20, section 1232(g).

(d) Notwithstanding section 138.17, a principal or chief administrative officer must remove from a student's educational record and destroy a probable cause notice received under section 260B.171, subdivision 5, or paragraph (e), if one year has elapsed since the date of the notice and the principal or chief administrative officer has not received a disposition or court order related to the offense described in the notice. This paragraph does not apply if the student no longer attends the school when this one-year period expires.

(e) A principal or chief administrative officer who receives a probable cause notice under section 260B.171, subdivision 5, or a disposition or court order, must include a copy of that data in the student's educational records if they are transmitted to another school, unless the data are required to be destroyed under paragraph (d) or section 121A.75.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 3. Minnesota Statutes 2020, section 120A.22, subdivision 9, is amended to read:

Subd. 9. **Knowledge and skills.** Instruction must be provided in at least the following subject areas:

- (1) basic communication skills including reading and writing, literature, and fine arts;
- (2) mathematics and science;
- (3) social studies including history, geography, economics, government, and citizenship; ~~and~~
- (4) health and physical education; and
- (5) indigenous education.

Instruction, textbooks, and materials must be in the English language. Another language may be used pursuant to sections 124D.59 to 124D.61.

Sec. 4. Minnesota Statutes 2020, section 120A.22, subdivision 10, is amended to read:

Subd. 10. **Requirements for instructors.** A person who is providing instruction to a child must meet at least one of the following requirements:

- (1) hold a valid Minnesota teaching license in the field and for the grade level taught;
- (2) be directly supervised by a person holding a valid Minnesota teaching license;
- (3) ~~successfully complete a teacher competency examination;~~

~~(4)~~ (3) provide instruction in a school that is accredited by an accrediting agency, recognized according to section 123B.445, or recognized by the commissioner;

~~(5)~~ (4) hold a baccalaureate degree; or

~~(6)~~ (5) be the parent of a child who is assessed according to the procedures in subdivision 11.

Any person providing instruction in a public school must meet the requirements of clause (1).

Sec. 5. Minnesota Statutes 2020, section 120B.02, subdivision 1, is amended to read:

Subdivision 1. **Educational expectations.** (a) The legislature is committed to establishing rigorous academic standards for Minnesota's public school students. To that end, the commissioner shall adopt in rule statewide academic standards. The commissioner shall not prescribe in rule or otherwise the delivery system, classroom assessments, or form of instruction that school sites must use.

(b) All commissioner actions regarding the rule must be premised on the following:

(1) the rule is intended to raise academic expectations for students, teachers, and schools;

(2) the rule must be focused on the experiences and perspectives of all students, including Indigenous people and people of color, within and beyond the United States;

(3) any state action regarding the rule must evidence consideration of school district autonomy; and

~~(3)~~ (4) the Department of Education, with the assistance of school districts, must make available information about all state initiatives related to the rule to students and parents, teachers, and the general public in a timely format that is appropriate, comprehensive, and readily understandable.

(c) The commissioner shall periodically review and report on the state's assessment process.

(d) School districts are not required to adopt specific provisions of the federal School-to-Work programs.

Sec. 6. Minnesota Statutes 2020, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** (a) The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, including indigenous education, history, geography, economics, and government and citizenship that includes civics consistent with section 120B.02, subdivision 3;

(5) physical education;

(6) health, for which locally developed academic standards apply; and

(7) the arts, ~~for which statewide or locally developed academic standards apply, as determined by the school district.~~ Public elementary and middle schools must offer at least three and require at least two of the following ~~four~~ five arts areas: dance; media arts; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

(b) For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education program team has determined that the required academic standards are inappropriate. An individualized education program team that makes this determination must establish alternative standards.

(c) The department must adopt the most recent SHAPE America (Society of Health and Physical Educators) kindergarten through grade 12 standards and benchmarks for physical education as the required physical education academic standards. The department may modify and adapt the national standards to accommodate state interest. The modification and adaptations must maintain the purpose and integrity of the national standards. The department must make available sample assessments, which school districts may use as an alternative to local assessments, to assess students' mastery of the physical education standards beginning in the 2018-2019 school year.

(d) A school district may include child sexual abuse prevention instruction in a health curriculum, consistent with paragraph (a), clause (6). Child sexual abuse prevention instruction may include age-appropriate instruction on recognizing sexual abuse and assault, boundary violations, and ways offenders groom or desensitize victims, as well as strategies to promote disclosure, reduce self-blame, and mobilize bystanders. A school district may provide instruction under this paragraph in a variety of ways, including at an annual assembly or classroom presentation. A school district may also provide parents information on the warning signs of child sexual abuse and available resources.

(e) District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

(f) The curriculum required for indigenous education must be:

(1) for students in prekindergarten through grade 12;

(2) related to the indigenous experience in Minnesota, including Tribal history, sovereignty, culture, treaty rights, government, socioeconomic experiences, contemporary issues, and current events;

(3) historically accurate, Tribally endorsed, culturally relevant, community based, contemporary, and developmentally appropriate; and

(4) aligned with the academic content standards, including all yearly revisions that include the contributions of Minnesota's Tribal nations and communities.

Sec. 7. Minnesota Statutes 2020, section 120B.021, subdivision 2, is amended to read:

Subd. 2. **Standards development.** (a) The commissioner must consider advice from at least the following stakeholders in developing statewide rigorous core academic standards in language arts, mathematics, science, social studies, including history, geography, economics, government and citizenship, and the arts:

(1) parents of school-age children and members of the public throughout the state;

(2) teachers throughout the state currently licensed and providing instruction in language arts, mathematics, science, social studies, or the arts and licensed elementary and secondary school principals throughout the state currently administering a school site;

(3) currently serving members of local school boards and charter school boards throughout the state;

(4) faculty teaching core subjects at postsecondary institutions in Minnesota; ~~and~~

(5) representatives of the Minnesota business community;

(6) representatives from the Tribal Nations Education Committee and Minnesota's Tribal Nations and communities, including both Anishinaabe and Dakota;

(7) youth currently enrolled in kindergarten through grade 12 school districts and charter schools in Minnesota; and

(8) other stakeholders that represent the ethnic, racial, and geographic diversity of Minnesota, including gender and sexual orientation, immigrant status, and religious and linguistic background.

(b) Academic standards must:

(1) be clear, concise, objective, measurable, and grade-level appropriate;

(2) not require a specific teaching methodology or curriculum; and

(3) be consistent with the Constitutions of the United States and the state of Minnesota.

Sec. 8. Minnesota Statutes 2020, section 120B.021, subdivision 3, is amended to read:

Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section and section 120B.022, must adopt statewide rules under section 14.389 for implementing statewide rigorous core academic standards in language arts, mathematics, science, social studies, physical education, and the arts. After the rules authorized under this subdivision are initially adopted, the commissioner may not amend or repeal these rules nor adopt new rules on the same topic without specific legislative authorization unless done pursuant to subdivision 4.

Sec. 9. Minnesota Statutes 2020, section 120B.021, subdivision 4, is amended to read:

Subd. 4. **Revisions and reviews required.** (a) The commissioner of education must revise and appropriately embed indigenous education standards that include the contributions of American Indian Tribes and communities into the state academic standards and graduation requirements. These standards must be consistent with recommendations from the Tribal Nations Education Committee.

(b) The commissioner of education must revise and appropriately embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a ten-year cycle to review and, consistent with the review, revise state academic standards and related benchmarks, consistent with this subdivision. During each ten-year review and revision cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for career and college readiness and advanced work in the particular subject area.

~~(c) The commissioner must include the contributions of Minnesota American Indian tribes and communities as related to the~~ appropriately embed ethnic studies into all required state academic standards during the review and revision of the ~~required academic~~ standards.

~~(b)~~ (d) The commissioner must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 and 11 are aligned with the state academic standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph (b). The commissioner must implement a review of the academic standards and related benchmarks in mathematics beginning in the 2021-2022 school year and every ten years thereafter.

~~(e)~~ (e) The commissioner must implement a review of the academic standards and related benchmarks in arts beginning in the 2017-2018 school year and every ten years thereafter.

~~(f)~~ (f) The commissioner must implement a review of the academic standards and related benchmarks in science beginning in the 2018-2019 school year and every ten years thereafter.

~~(g)~~ (g) The commissioner must implement a review of the academic standards and related benchmarks in language arts beginning in the 2019-2020 school year and every ten years thereafter.

~~(h)~~ (h) The commissioner must implement a review of the academic standards and related benchmarks in social studies beginning in the 2020-2021 school year and every ten years thereafter.

~~(i)~~ (i) The commissioner must implement a review of the academic standards and related benchmarks in physical education beginning in the ~~2022-2023~~ 2026-2027 school year and every ten years thereafter.

~~(j)~~ (j) School districts and charter schools must revise and align local academic standards and high school graduation requirements in health, world languages, and career and technical education to require students to complete the revised standards beginning in a school year determined by the school district or charter school. School districts and charter schools must formally establish a periodic review cycle for the academic standards and related benchmarks in health, world languages, and career and technical education.

Sec. 10. Minnesota Statutes 2020, section 120B.024, subdivision 1, is amended to read:

Subdivision 1. **Graduation requirements.** (a) Students ~~beginning 9th grade in the 2011-2012 school year and later~~ must successfully complete the following high school level credits for graduation:

(1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;

(2) three credits of mathematics, including an algebra II credit or its equivalent, sufficient to satisfy all of the academic standards in mathematics;

(3) an algebra I credit by the end of 8th grade sufficient to satisfy all of the 8th grade standards in mathematics. The credit does not bear high school credit;

(4) three credits of science, including at least one credit of biology, one credit of chemistry or physics, and one elective credit of science. The combination of credits under this clause must be sufficient to satisfy (i) all of the academic standards in either chemistry or physics and (ii) all other academic standards in science;

(5) three and one-half credits of social studies, encompassing at least indigenous education, United States history, geography, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;

(6) one credit of the arts sufficient to satisfy all of the ~~state or local~~ academic standards in the arts; ~~and~~

(7) one-half credit of physical education sufficient to satisfy all of the academic standards in physical education; and

~~(7)~~ (8) a minimum of ~~seven~~ six and one-half elective credits.

(b) A school district is encouraged to offer a course for credit in government and citizenship to 11th or 12th grade students who begin 9th grade in the 2020-2021 school year and later, that satisfies the government and citizenship requirement in paragraph (a), clause (5).

Sec. 11. **[120B.025] ETHNIC STUDIES.**

Subdivision 1. **Definition.** "Ethnic studies" means the critical and interdisciplinary study of race, ethnicity, and indigeneity with a focus on the experiences and perspectives of people of color within and beyond the United States. Ethnic studies analyzes the ways in which race and racism have been and continue to be powerful social, cultural, and political forces, and race and racism's connections to the stratification of other groups, including stratification based on gender, class, sexual orientation, gender identity, and legal status.

Subd. 2. **Department of Education.** The Department of Education must employ dedicated ethnic studies staff to provide expertise for adopting ethnic studies standards into academic standards and providing assistance to school districts and charter schools in implementing ethnic studies standards. Duties of ethnic studies staff may include:

(1) supporting a school district or charter school in implementing ethnic studies courses and curriculum that fulfill ethnic studies standards;

(2) providing training for teachers and school district staff to successfully implement ethnic studies standards;

(3) assisting school districts and charter schools to annually evaluate the implementation of the ethnic studies curriculum by seeking feedback from students, parents or guardians, and community members; and

(4) making available to school districts and charter schools the following:

(i) an ethnic studies school survey for each school district and charter school to use as part of a school needs assessment;

(ii) a list of recommended materials, resources, sample curricula, and pedagogical skills for use in kindergarten through grade 12 that accurately reflect the diversity of the state of Minnesota;

(iii) training materials for teachers and district and school staff, including an ethnic studies coordinator, to implement ethnic studies requirements, including a school needs assessment; and

(iv) other resources to assist districts and charter schools in successfully implementing ethnic studies standards.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 12. Minnesota Statutes 2020, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; have all third grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

(e) "Ethnic studies curriculum" means the critical and interdisciplinary study of race, ethnicity, and indigeneity with a focus on the experiences and perspectives of people of color within and beyond the United States. Ethnic studies analyzes the ways in which race and racism have been and continue to be powerful social, cultural, and political forces, and race and racism's connections to the stratification of other groups, including stratification based on gender, class, sexual orientation, gender identity, and legal status. The ethnic studies curriculum may be integrated in existing curricular opportunities or provided through additional curricular offerings.

(f) "Anti-racist" means the active process of identifying and eliminating racism by changing systems, organizational structures, policies, practices, attitudes, and dispositions so that power and resources are redistributed and shared equitably.

(g) "Culturally sustaining" means integrating content and practices that infuse the culture and language of Black, Indigenous, and People of Color communities who have been and continue to be harmed and erased through schooling.

(h) "Institutional racism" means policies and practices within and across institutions that produce outcomes that chronically favor white people and predictably disadvantage those who are Black, Indigenous, and People of Color.

(i) "On track for graduation" means that at the end of grade 9, a student has earned at least five credits and has received no more than one failing grade in a term in a language arts, mathematics, science, or social studies course that fulfills a credit requirement under section 120B.024. A student is off track for graduation if the student fails to meet either of these criteria.

Sec. 13. Minnesota Statutes 2020, section 120B.11, subdivision 1a, is amended to read:

Subd. 1a. **Performance measures.** (a) Measures to determine school district and school site progress in striving to create the world's best workforce must include at least:

(1) the size of the academic achievement gap, rigorous course taking under section 120B.35, subdivision 3, paragraph (c), clause (2), participation in honors or gifted and talented programming, and enrichment experiences by student subgroup;

(2) student performance on the Minnesota Comprehensive Assessments;

(3) high school graduation rates; ~~and~~

(4) career and college readiness under section 120B.30, subdivision 1-; ~~and~~

(5) the number and percentage of students, by student subgroup, who are on track for graduation.

(b) A school district that offers advanced placement, international baccalaureate, or dual enrollment programs must report on the following performance measures starting in the 2023-2024 school year:

(1) participation in postsecondary enrollment options and concurrent enrollment programs;

(2) the number of students who took an advanced placement exam and the number of students who passed the exam; ~~and~~

(3) the number of students who took the international baccalaureate exam and the number of students who passed the exam.

(c) Performance measures under this subdivision must be reported for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2).

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 14. Minnesota Statutes 2020, section 120B.11, subdivision 2, is amended to read:

Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, ~~shall~~ must adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes:

(1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);

(2) a process to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students to participate in gifted and talented programs and accelerate their instruction, and adopt early-admission procedures consistent with section 120B.15, assess ethnic studies curriculum needs to determine priorities for integrating ethnic studies into existing courses or developing new courses, and identifying the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;

(3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, including ethnic studies curriculum, taking into account strategies and best practices, student outcomes, school principal evaluations under section 123B.147, subdivision 3, students' access to effective teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under section 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(4) strategies for improving instruction, curriculum, and student achievement, including: (i) the English and, where practicable, the native language development and the academic achievement of English learners; and (ii) access to ethnic studies curriculum using culturally responsive methodologies for all learners;

(5) a process to examine the equitable distribution of teachers and strategies to ensure children from low-income and minority children families, families of color, and American Indian families are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers;

(6) education effectiveness practices that:

(i) integrate high-quality instruction, rigorous curriculum, technology, and curriculum that is rigorous, accurate, anti-racist, and culturally sustaining;

(ii) ensure learning and work environments validate, affirm, embrace, and integrate cultural and community strengths for all students, families, and employees; and

(iii) provide a collaborative professional culture that ~~develops and supports~~ seeks to retain qualified, racially and ethnically diverse staff effective at working with diverse students while developing and supporting teacher quality, performance, and effectiveness; and

(7) an annual budget for continuing to implement the district plan; and

(8) identifying a list of suggested and required materials, resources, sample curricula, and pedagogical skills for use in kindergarten through grade 12 that accurately reflect the diversity of the state of Minnesota.

EFFECTIVE DATE. This section is effective for all strategic plans reviewed and updated after the day following final enactment.

Sec. 15. Minnesota Statutes 2020, section 120B.11, subdivision 3, is amended to read:

Subd. 3. **District advisory committee.** Each school board ~~shall~~ must establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, ~~shall~~ must reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. The district advisory committee ~~shall~~ must pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4. The district advisory committee ~~shall~~ must recommend to the school board: rigorous academic standards; student achievement goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a and 1b, and 120B.35; district assessments; means to improve students' equitable access to effective and more diverse teachers; strategies to ensure the curriculum is rigorous, accurate, anti-racist, and culturally sustaining; strategies to ensure that curriculum and learning and work environments validate, affirm, embrace, and integrate the cultural and community strengths of all racial and ethnic groups; and program evaluations. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents ~~shall~~ must comprise at least two-thirds of advisory committee members.

Sec. 16. **[120B.113] EQUITABLE SCHOOL ENHANCEMENT GRANTS.**

Subdivision 1. **Grant program established.** The commissioner of education must establish a grant program to support implementation of world's best workforce strategies under section 120B.11, subdivision 2, clauses (4) and (6), to support collaborative efforts that address issues of curricular, environmental, and structural inequities in schools that create opportunity and achievement gaps for students, families, and staff who are of color or who are American Indian.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Anti-racist" means the active process of identifying and eliminating racism by changing systems, organizational structures, policies, practices, attitudes, and dispositions so that power and resources are redistributed and shared equitably.

(c) "Curricular" means curriculum resources used and content taught as well as access to levels of coursework or types of learning opportunities.

(d) "Environmental" means relating to the climate and culture of a school.

(e) "Equitable" means fairness by providing curriculum, instruction, support, and other resources for learning based on the needs of individual students and groups of students to succeed at school rather than treating all students the same. Equitable schools close opportunity and achievement gaps.

(f) "Institutional racism" means policies and practices within and across institutions that produce outcomes that chronically favor white people and predictably disadvantage those who are Black, Indigenous, and People of Color.

(g) "Structural" means relating to the organization and systems of a school that have been created to manage a school.

Subd. 3. **Applications and grant awards.** The commissioner must determine application procedures and deadlines, select schools to participate in the grant program, and determine the award amount and payment process of the grants. To the extent that there are sufficient applications, the commissioner must award an approximately equal number of grants between districts in greater Minnesota and those in the Twin Cities metropolitan area. If there are an insufficient number of applications received for either geographic area, the commissioner may award grants to meet the requests for funds wherever a district is located.

Subd. 4. **Description.** The grant program must provide funding that supports collaborative efforts that ensure school climate and curriculum incorporate equitable, anti-racist educational practices that:

(1) validate, affirm, embrace, and integrate cultural and community strengths of students, families, and employees from all racial and ethnic backgrounds; and

(2) address institutional racism with equitable school policies, structures, and practices, consistent with the requirements for long-term plans under section 124D.861, subdivision 2, paragraph (c).

Subd. 5. **Report.** Grant recipients must annually report to the commissioner by a date and in a form and manner determined by the commissioner on efforts planned and implemented that engaged students, families, educators, and community members of diverse racial and ethnic backgrounds in making improvements to school climate and curriculum. The report must assess the impact of those efforts as perceived by racially and ethnically diverse stakeholders, and must identify any areas needed for further continuous improvement. The commissioner must publish a report for the public summarizing the activities of grant recipients and what was done to promote sharing of effective practices among grant recipients and potential grant applicants.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 17. Minnesota Statutes 2020, section 120B.132, is amended to read:

120B.132 RAISED ACADEMIC ACHIEVEMENT; ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.

Subdivision 1. **Establishment; eligibility.** (a) A program is established to raise kindergarten through grade 12 academic achievement through increased student participation in preadvanced placement, advanced placement, and international baccalaureate programs, consistent with section 120B.13. Schools and charter schools eligible to participate under this section:

~~(1) must have a three year plan approved by the local school board to establish a new international baccalaureate program leading to international baccalaureate authorization, expand an existing program that leads to international baccalaureate authorization, or expand an existing authorized international baccalaureate program; or~~

~~(2) must have a three year plan approved by the local school board to create a new or expand an existing program to implement the college board advanced placement courses and exams or preadvanced placement initiative; and~~

~~(3) must propose to further raise students' academic achievement by:~~

~~(1) increasing the availability of and all students' access to advanced placement or international baccalaureate courses or programs;~~

~~(ii)~~ (2) expanding the breadth of advanced placement or international baccalaureate courses or programs that are available to students;

~~(iii)~~ (3) increasing the number and the diversity of the students who participate in advanced placement or international baccalaureate courses or programs and succeed;

~~(iv)~~ (4) providing low-income and other disadvantaged students with increased access to advanced placement or international baccalaureate courses and programs; or

~~(v)~~ (5) increasing the number of high school students, including low-income and other disadvantaged students, who receive college credit by successfully completing advanced placement or international baccalaureate courses or programs and achieving satisfactory scores on related exams.

(b) Within 90 days of receiving a grant under this section, a school district or charter school must:

(1) adopt a three-year plan approved by the local school board to establish a new international baccalaureate program leading to international baccalaureate authorization, expand an existing program that leads to international baccalaureate authorization, or expand an existing authorized international baccalaureate program; or

(2) adopt a three-year plan approved by the local school board to create a new program or expand an existing program to implement the college board advanced placement courses and exams or preadvanced placement initiative.

Subd. 2. **Application and review process; funding priority.** (a) Charter schools and school districts in which eligible schools under subdivision 1 are located may apply to the commissioner, in the form and manner the commissioner determines, for competitive funding to further raise students' academic achievement. The application must detail the specific efforts the applicant intends to undertake in further raising students' academic achievement, consistent with subdivision 1, and a proposed budget detailing the district or charter school's current and proposed expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs. The proposed budget must demonstrate that the applicant's efforts will support implementation of advanced placement, preadvanced placement, and international baccalaureate courses and programs. Expenditures for administration must not exceed five percent of the proposed budget. Priority for advanced placement grants must be given to grantees who add or expand offerings of advanced placement computer science principles. The commissioner may require an applicant to provide additional information.

(b) When reviewing applications, the commissioner must determine whether the applicant satisfied all the requirements in this subdivision and subdivision 1. The commissioner may give funding priority to an otherwise qualified applicant that demonstrates:

(1) a focus on developing or expanding preadvanced placement, advanced placement, or international baccalaureate courses or programs or increasing students' participation in, access to, or success with the courses or programs, including the participation, access, or success of low-income and other disadvantaged students;

(2) a compelling need for access to preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(3) an effective ability to actively involve local business and community organizations in student activities that are integral to preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(4) access to additional public or nonpublic funds or in-kind contributions that are available for preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(5) an intent to implement activities that target low-income and other disadvantaged students; or

(6) an intent to increase the advanced placement and international baccalaureate course offerings in science, technology, engineering, and math to low-income and other disadvantaged students.

Subd. 3. **Funding; permissible funding uses.** (a) The commissioner shall award grants to applicant school districts and charter schools that meet the requirements of subdivisions 1 and 2. The commissioner must award grants on an equitable geographical basis to the extent feasible and consistent with this section. Grant awards must not exceed ~~the lesser of:~~

~~(1) \$85 times the number of pupils enrolled at the participating sites on October 1 of the previous fiscal year;~~

~~(2) the approved supplemental expenditures based on the budget submitted under subdivision 2. For charter schools in their first year of operation, the maximum funding award must be calculated using the number of pupils enrolled on October 1 of the current fiscal year. The commissioner may adjust the maximum funding award computed using prior year data for changes in enrollment attributable to school closings, school openings, grade level reconfigurations, or school district reorganizations between the prior fiscal year and the current fiscal year; or~~

~~(3) \$150,000 \$75,000 per district or charter school.~~

(b) School districts and charter schools that submit an application and receive funding under this section must use the funding, consistent with the application, to:

(1) provide teacher training and instruction to more effectively serve students, including low-income and other disadvantaged students, who participate in preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(2) further develop preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(3) improve the transition between grade levels to better prepare students, including low-income and other disadvantaged students, for succeeding in preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(4) purchase books and supplies;

(5) pay course or program fees;

(6) increase students' participation in and success with preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(7) expand students' access to preadvanced placement, advanced placement, or international baccalaureate courses or programs through online learning;

(8) hire appropriately licensed personnel to teach additional advanced placement or international baccalaureate courses or programs; or

(9) engage in other activities to expand low-income or disadvantaged students' access to, participation in, and success with preadvanced placement, advanced placement, or international baccalaureate courses or programs. Other activities may include but are not limited to preparing and disseminating promotional materials to low-income and other disadvantaged students and their families.

Subd. 4. **Grants; annual reports.** (a) Each school district and charter school that receives a grant under this section annually must collect demographic and other student data to demonstrate and measure the extent to which the district or charter school raised students' academic achievement under this program and must report the data to the commissioner in the form and manner the commissioner determines. The commissioner annually by February 15 must make summary data about this program available to the education policy and finance committees of the legislature.

(b) Each school district and charter school that receives a grant under this section annually must report to the commissioner, consistent with the Uniform Financial Accounting and Reporting Standards, its actual expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs. The report must demonstrate that the school district or charter school has maintained its effort from other sources for advanced placement, preadvanced placement, and international baccalaureate courses and programs compared with the previous fiscal year, and the district or charter school has expended all grant funds, consistent with its approved budget.

(c) Notwithstanding any law to the contrary, a grant under this section is available for three years from the date of the grant if the district or charter school meets the annual benchmarks in its plan under subdivision 1.

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

Sec. 18. Minnesota Statutes 2020, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS AND SERVICES.

(a) School districts may identify students, locally develop programs and services addressing instructional and affective needs, provide staff development, and evaluate programs and services to provide gifted and talented students with challenging and appropriate educational programs and services.

(b) School districts must adopt guidelines for assessing and identifying students for participation in gifted and talented programs and services consistent with section 120B.11, subdivision 2, clause (2). The guidelines should include the use of:

(1) multiple and objective criteria; and

(2) assessments and procedures that are valid and reliable, fair, and based on current theory and research. Assessments and procedures ~~should~~ must be sensitive and equitable to underrepresented groups, including, but not limited to, low-income ~~students~~, minority students of color and American Indian students, twice-exceptional ~~students~~, students with section 504 plans, and English learners. Assessments and procedures must be coordinated to allow for optimal identification of programs and services for underrepresented groups.

(c) School districts must adopt procedures for the academic acceleration of gifted and talented students consistent with section 120B.11, subdivision 2, clause (2). These procedures must include how the district will:

(1) assess a student's readiness and motivation for acceleration; and

(2) match the level, complexity, and pace of the curriculum to a student to achieve the best type of academic acceleration for that student.

(d) School districts must adopt procedures consistent with section 124D.02, subdivision 1, for early admission to kindergarten or first grade of gifted and talented learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must be sensitive to underrepresented groups.

Sec. 19. [120B.17] IMPLEMENTATION OF INDIGENOUS EDUCATION FOR ALL CURRICULUM.

(a) Any district with a school identified for support under the federal Elementary and Secondary Education Act, and any district identified under World's Best Workforce as needing support and improvement, must:

(1) as a part of their needs assessment, assess the quality of implementation of indigenous education for all in the school or district;

(2) include any proposed changes, additions, or enhancements to the implementation of indigenous education for all in their school or district improvement plan;

(3) ensure that indigenous curriculum is included in plans and activities in years two and three for schools and districts identified for improvement plans;

(4) engage Tribal Nations and Indigenous families in the planning and implementation of improvement plans in schools and districts when a school or district has ten or more American Indian students; and

(5) provide evidence that implementation factors have been completed.

(b) The Department of Education must:

(1) provide monitoring and auditing personnel to coordinate within the department and with all indigenous education for all programs in districts and schools;

(2) provide professional development to teachers instituting indigenous curriculum;

(3) provide monitoring of high-quality curriculum materials and teaching practices regarding Tribal history, culture, and government of local Tribes for mutual awareness between Tribes and districts and understanding the importance of accurate and Tribally endorsed curriculum;

(4) provide ongoing support to all schools and districts on curricula and best teaching practices and to school boards to identify and adopt curriculum that includes Tribal experiences and perspectives to engage Indigenous students and ensure that all students learn about the history, culture, government, and experiences of their Indigenous peers and neighbors;

(5) refer noncompliance with indigenous curriculum requirements to the Department of Human Rights;

(6) by December 1, 2022, and every two years thereafter, report to the commissioner of education regarding the progress made in the development of effective government-to-government relations, narrowing of the achievement gap, and identification and adoption of curriculum including Tribal history, culture, and government. The report must include information about the adoption of curriculum regarding Tribal history, culture, and government, and must address any obstacles encountered and any strategies being developed to overcome the obstacles; and

(7) publicly submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and to Minnesota's Tribal leaders, including the Tribal National Education Committee, the Minnesota Chippewa Tribe, and the Minnesota Indian Affairs Council.

Sec. 20. Minnesota Statutes 2020, section 120B.30, subdivision 1a, is amended to read:

Subd. 1a. **Statewide and local assessments; results.** ~~(a) For purposes of this section, the following definitions have the meanings given them.~~

~~(1) "Computer adaptive assessments" means fully adaptive assessments.~~

~~(2) "Fully adaptive assessments" include test items that are on-grade level and items that may be above or below a student's grade level.~~

~~(3) "On-grade level" test items contain subject area content that is aligned to state academic standards for the grade level of the student taking the assessment.~~

~~(4) "Above grade level" test items contain subject area content that is above the grade level of the student taking the assessment and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards above the grade level of the student taking the assessment. Notwithstanding the student's grade level, administering above grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.~~

~~(5) "Below grade level" test items contain subject area content that is below the grade level of the student taking the test and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards below the student's current grade level. Notwithstanding the student's grade level, administering below grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.~~

~~(b) The commissioner must use fully adaptive mathematics and reading assessments for grades 3 through 8.~~

~~(e) (a) For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, a high school writing test aligned with state standards when it becomes available, and science assessments under clause (2) that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:~~

~~(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading, writing, and mathematics tests; and~~

~~(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.~~

~~(d) (b) The commissioner must ensure that for annual computer-adaptive assessments:~~

~~(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;~~

~~(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;~~

~~(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and~~

~~(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.~~

~~(c)~~ (c) The commissioner must ensure that all state tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

~~(d)~~ (d) Reporting of state assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a growth indicator of student achievement; and

(3) determine whether students have met the state's academic standards.

~~(e)~~ (e) Consistent with applicable federal law, the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.

~~(f)~~ (f) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

Sec. 21. Minnesota Statutes 2020, section 120B.30, is amended by adding a subdivision to read:

Subd. 7. **Remote testing.** The commissioner must develop and publish security and privacy policies and procedures for students and educators to support remote testing.

Sec. 22. Minnesota Statutes 2020, section 120B.30, is amended by adding a subdivision to read:

Subd. 8. **National and international education comparisons.** Each public district and school selected to participate in the national assessment of educational progress must do so pursuant to United States Code, title 20, section 6312(c)(2), as in effect on December 10, 2015, or similar national or international assessments, both for the national sample and for any state-by-state comparison programs that may be initiated, as directed by the commissioner. The assessments must be conducted using the data collection procedures, student surveys, educator surveys, and other instruments included in the National Assessment of Educational Progress or similar national or international assessments being administered in Minnesota. The administration of the assessments must be in addition to and separate from the administration of the statewide, standardized assessments.

Sec. 23. Minnesota Statutes 2020, section 120B.35, subdivision 3, is amended to read:

Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational assessment system measuring individual students' educational growth is based on indicators of achievement growth that show an individual student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments.

(2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and report, as soon as practicable, separate categories of information using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and, in addition to "other" for each race and ethnicity, and the Karen community, seven of the most populous Asian and Pacific Islander groups, three of the most populous Native groups, seven of the most populous Hispanic/Latino groups, and five of the most populous Black and African

~~Heritage groups as determined by the total Minnesota population based on the most recent American Community Survey. These groups must be determined by a ten-year cycle using the American Community Survey of the total Minnesota population. The determination must be based on the most recent five-year dataset starting with the 2021-2025 dataset. Additional categories must include~~ English learners under section 124D.59; home language; free or reduced-price lunch; and all students enrolled in a Minnesota public school who are currently or were previously in foster care, except that such disaggregation and cross tabulation is not required if the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

(b) The commissioner, in consultation with a stakeholder group that includes assessment and evaluation directors, district staff, experts in culturally responsive teaching, and researchers, must implement a growth model that compares the difference in students' achievement scores over time, and includes criteria for identifying schools and school districts that demonstrate academic progress. The model may be used to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs. Data on individual teachers generated under the model are personnel data under section 13.43. The model must allow users to:

(1) report student growth consistent with this paragraph; and

(2) for all student categories, report and compare aggregated and disaggregated state student growth and, under section 120B.11, subdivision 2, clause (2), student learning and outcome data using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and other student categories under paragraph (a), clause (2).

The commissioner must report measures of student growth and, under section 120B.11, subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph, including the English language development, academic progress, and oral academic development of English learners and their native language development if the native language is used as a language of instruction, and include data on all pupils enrolled in a Minnesota public school course or program who are currently or were previously counted as an English learner under section 124D.59.

(c) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2011, must report two core measures indicating the extent to which current high school graduates are being prepared for postsecondary academic and career opportunities:

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public colleges and universities as determined by the Office of Higher Education under chapter 136A; and

(2) a rigorous coursework measure indicating the number and percentage of high school graduates in the most recent school year who successfully completed one or more college-level advanced placement, international baccalaureate, postsecondary enrollment options including concurrent enrollment, other rigorous courses of study under section 120B.021, subdivision 1a, or industry certification courses or programs.

When reporting the core measures under clauses (1) and (2), the commissioner must also analyze and report separate categories of information using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and other student categories under paragraph (a), clause (2).

(d) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2014, must report summary data on school safety and students' engagement and connection at school, consistent with the student categories identified under paragraph (a), clause (2). The summary data under

this paragraph are separate from and must not be used for any purpose related to measuring or evaluating the performance of classroom teachers. The commissioner, in consultation with qualified experts on student engagement and connection and classroom teachers, must identify highly reliable variables that generate summary data under this paragraph. The summary data may be used at school, district, and state levels only. Any data on individuals received, collected, or created that are used to generate the summary data under this paragraph are nonpublic data under section 13.02, subdivision 9.

(e) For purposes of statewide educational accountability, the commissioner must identify and report measures that demonstrate the success of learning year program providers under sections 123A.05 and 124D.68, among other such providers, in improving students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually report summary data on:

- (1) the four- and six-year graduation rates of students under this paragraph;
- (2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and
- (3) the success that learning year program providers experience in:
 - (i) identifying at-risk and off-track student populations by grade;
 - (ii) providing successful prevention and intervention strategies for at-risk students;
 - (iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and
 - (iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

(f) The commissioner, in consultation with recognized experts with knowledge and experience in assessing the language proficiency and academic performance of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as an English learner under section 124D.59, must identify and report appropriate and effective measures to improve current categories of language difficulty and assessments, and monitor and report data on students' English proficiency levels, program placement, and academic language development, including oral academic language.

(g) When reporting four- and six-year graduation rates, the commissioner or school district must disaggregate the data by student categories according to paragraph (a), clause (2).

(h) A school district must inform parents and guardians that volunteering information on student categories not required by the most recent reauthorization of the Elementary and Secondary Education Act is optional and will not violate the privacy of students or their families, parents, or guardians. The notice must state the purpose for collecting the student data.

EFFECTIVE DATE. This section is effective the day following final enactment. The next update to the data used to determine the most populous groups must be implemented in 2026 using the 2021-2025 dataset.

Sec. 24. Minnesota Statutes 2020, section 120B.35, subdivision 4, is amended to read:

Subd. 4. **Improving schools.** Consistent with the requirements of this section, ~~beginning June 20, 2012,~~ the commissioner of education must annually report to the public and the legislature best practices implemented in those schools that are identified as high performing ~~under federal expectations.~~

Sec. 25. **[121A.041] AMERICAN INDIAN MASCOTS PROHIBITED.**

Subdivision 1. Prohibition. (a) A public school may not have or adopt a name, symbol, or image that depicts or refers to an American Indian Tribe, individual, custom, or tradition to be used as a mascot, nickname, logo, letterhead, or team name of the district or school within the district.

(b) A public school may seek an exemption to paragraph (a) by submitting a request in writing to the Tribal Nations Education Committee and the Indian Affairs Council, which jointly shall have discretion to grant such an exemption. A public school that has a mascot prohibited by this section must request an exemption by January 1, 2022.

Subd. 2. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "American Indian" means an individual who is:

(1) a member of an Indian Tribe or band, as membership is defined by the Tribe or band, including:

(i) any Tribe or band terminated since 1940; and

(ii) any Tribe or band recognized by the state in which the Tribe or band resides;

(2) a descendant, in the first or second degree, of an individual described in clause (1);

(3) considered by the Secretary of the Interior to be an Indian for any purpose;

(4) an Eskimo, Aleut, or other Alaska Native; or

(5) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as in effect the day preceding October 20, 1994.

(c) "District" means a district under section 120A.05, subdivision 8.

(d) "Mascot" means any human, nonhuman animal, or object used to represent a school and its population.

(e) "Public school" or "school" means a public school under section 120A.05, subdivisions 9, 11, 13, and 17, and a charter school under chapter 124E.

Sec. 26. Minnesota Statutes 2020, section 121A.41, subdivision 10, is amended to read:

Subd. 10. Suspension. (a) "In-school suspension" means an instance in which a pupil is temporarily removed from the pupil's regular classroom for at least half a day for disciplinary purposes but remains under the direct supervision of school personnel. Direct supervision means school personnel are physically present in the same location as the pupil under supervision.

(b) "Out-of-school suspension" means an action by the school administration, under rules promulgated by the school board, prohibiting a pupil from attending school for a period of no more than ten school days. If a suspension is longer than five days, the suspending administrator must provide the superintendent with a reason for the longer suspension. This definition does not apply to dismissal from school for ~~one school day or less~~ than one school day, except as provided in federal law for a student with a disability. Each suspension action ~~may~~ must include a readmission plan. The readmission plan shall include, where appropriate, a provision for implementing alternative educational services upon readmission and may not be used to extend the current suspension. Consistent with section 125A.091, subdivision 5, the readmission plan must not obligate a parent to provide a sympathomimetic

medication for the parent's child as a condition of readmission. The school administration may not impose consecutive suspensions against the same pupil for the same course of conduct, or incident of misconduct, except where the pupil will create an immediate and substantial danger to self or to surrounding persons or property, or where the district is in the process of initiating an expulsion, in which case the school administration may extend the suspension to a total of 15 school days.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 27. Minnesota Statutes 2020, section 121A.41, is amended by adding a subdivision to read:

Subd. 12. Nonexclusionary disciplinary policies and practices; alternatives to pupil removal and dismissal. "Nonexclusionary disciplinary policies and practices" means policies and practices that are alternatives to removing a pupil from class or dismissing a pupil from school, including evidence-based positive behavior interventions and supports, social and emotional services, school-linked mental health services, counseling services, social work services, referrals for special education or section 504 evaluations, academic screening for title one services or reading interventions, and alternative education services. Nonexclusionary disciplinary policies and practices require school officials to intervene in, redirect, and support a pupil's behavior before removing a pupil from class or beginning dismissal proceedings. Nonexclusionary disciplinary policies and practices include but are not limited to the policies and practices under sections 120B.12; 121A.031, subdivision 4, paragraph (a), clause (1); 121A.575, clauses (1) and (2); 121A.61, subdivision 3, paragraph (p); and 122A.627, clause (3).

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 28. Minnesota Statutes 2020, section 121A.41, is amended by adding a subdivision to read:

Subd. 13. Pupil withdrawal agreement. "Pupil withdrawal agreement" means a verbal or written agreement between a school or district administrator and a pupil's parent to withdraw a student from the school district to avoid expulsion or exclusion dismissal proceedings. A pupil withdrawal agreement expires at the end of a 12-month period.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 29. Minnesota Statutes 2020, section 121A.425, is amended to read:

121A.425 FULL AND EQUITABLE PARTICIPATION IN ~~PRESCHOOL AND PREKINDERGARTEN~~ EARLY LEARNING.

Subdivision 1. **Disciplinary dismissals prohibited.** (a) A pupil enrolled in the following is not subject to dismissals under this chapter:

(1) a preschool or prekindergarten program, including a child participating in early childhood family education, school readiness, school readiness plus, voluntary prekindergarten, Head Start, or other school-based preschool or prekindergarten program, ~~may not be subject to dismissals under this chapter;~~ or

(2) kindergarten through grade 3.

(b) Notwithstanding this subdivision, expulsions and exclusions may be used only after resources outlined in subdivision 2 have been exhausted, and only in circumstances where there is an ongoing serious safety threat to the child or others.

Subd. 2. **Nonexclusionary discipline.** For purposes of this section, nonexclusionary discipline must include at least one of the following:

(1) collaborating with the pupil's family or guardian, child mental health consultant or provider, education specialist, or other community-based support;

(2) creating a plan, written with the parent or guardian, that details the action and support needed for the pupil to fully participate in the current educational program, including a preschool or prekindergarten program; or

(3) providing a referral for needed support services, including parenting education, home visits, other supportive education interventions, or, where appropriate, an evaluation to determine if the pupil is eligible for special education services or section 504 services.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 30. Minnesota Statutes 2020, section 121A.45, subdivision 1, is amended to read:

Subdivision 1. **Provision of alternative programs.** No school shall dismiss any pupil without attempting to ~~provide alternative educational services~~ use nonexclusionary disciplinary policies and practices before dismissal proceedings or pupil withdrawal agreements, except where it appears that the pupil will create an immediate and substantial danger to self or to surrounding persons or property.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 31. Minnesota Statutes 2020, section 121A.46, subdivision 4, is amended to read:

Subd. 4. **Suspension pending expulsion or exclusion hearing.** Notwithstanding the provisions of subdivisions 1 and 3, the pupil may be suspended pending the school board's decision in the expulsion or exclusion hearing; provided that alternative educational services are implemented to the extent that suspension exceeds five consecutive school days.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 32. Minnesota Statutes 2020, section 121A.46, is amended by adding a subdivision to read:

Subd. 5. **Student suspensions exceeding five consecutive school days.** A school administrator must ensure that alternative educational services are provided when a pupil is suspended for more than five consecutive school days.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 33. Minnesota Statutes 2020, section 121A.46, is amended by adding a subdivision to read:

Subd. 6. **Minimum education services.** School officials must give a suspended pupil the opportunity to complete all school work assigned during the period of the pupil's suspension and to receive full credit for satisfactorily completing the assignments. The school principal or other person having administrative control of the school building or program is encouraged to designate a district or school employee as a liaison to work with the pupil's teachers to allow the suspended pupil to (1) receive timely course materials and other information, and (2) complete all school work assignments and receive teachers' feedback.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 34. Minnesota Statutes 2020, section 121A.47, subdivision 2, is amended to read:

Subd. 2. **Written notice.** Written notice of intent to take action shall:

- (a) be served upon the pupil and the pupil's parent or guardian personally or by mail;
- (b) contain a complete statement of the facts, a list of the witnesses and a description of their testimony;
- (c) state the date, time, and place of the hearing;
- (d) be accompanied by a copy of sections 121A.40 to 121A.56;
- (e) describe ~~alternative educational services~~ the nonexclusionary disciplinary policies and practices accorded the pupil in an attempt to avoid the expulsion proceedings; and
- (f) inform the pupil and parent or guardian of the right to:
 - (1) have a representative of the pupil's own choosing, including legal counsel, at the hearing. The district ~~shall~~ must advise the pupil's parent or guardian that free or low-cost legal assistance may be available and that a legal assistance resource list is available from the Department of Education and is posted on the department's website;
 - (2) examine the pupil's records before the hearing;
 - (3) present evidence; and
 - (4) confront and cross-examine witnesses.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 35. Minnesota Statutes 2020, section 121A.47, subdivision 14, is amended to read:

Subd. 14. **Admission or readmission plan.** (a) A school administrator ~~shall~~ must prepare and enforce an admission or readmission plan for any pupil who is excluded or expelled from school. The plan ~~may~~ must include measures to improve the pupil's behavior, ~~including which may include~~ completing a character education program, consistent with section 120B.232, subdivision 1, and social and emotional learning, counseling, social work services, mental health services, referrals for special education or section 504 evaluation, and evidence-based academic interventions. The plan must require parental involvement in the admission or readmission process, and may indicate the consequences to the pupil of not improving the pupil's behavior.

(b) The definition of suspension under section 121A.41, subdivision 10, does not apply to a student's dismissal from school for ~~one school day or less~~ than one school day, except as provided under federal law for a student with a disability. Each suspension action may include a readmission plan. A readmission plan must provide, where appropriate, alternative education services, which must not be used to extend the student's current suspension period. Consistent with section 125A.091, subdivision 5, a readmission plan must not obligate a parent or guardian to provide psychotropic drugs to their student as a condition of readmission. School officials must not use the refusal of a parent or guardian to consent to the administration of psychotropic drugs to their student or to consent to a psychiatric evaluation, screening or examination of the student as a ground, by itself, to prohibit the student from attending class or participating in a school-related activity, or as a basis of a charge of child abuse, child neglect or medical or educational neglect.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 36. Minnesota Statutes 2020, section 121A.53, subdivision 1, is amended to read:

Subdivision 1. **Exclusions and expulsions; student withdrawals; and physical assaults.** Consistent with subdivision 2, the school board must report through the department electronic reporting system each exclusion or expulsion and, each physical assault of a district employee by a student pupil, and each pupil withdrawal agreement within 30 days of the effective date of the dismissal action, pupil withdrawal, or assault to the commissioner of education. This report must include a statement of ~~alternative educational services~~ nonexclusionary disciplinary practices, or other sanction, intervention, or resolution in response to the assault given the pupil and the reason for, the effective date, and the duration of the exclusion or expulsion or other sanction, intervention, or resolution. The report must also include the student's pupil's age, grade, gender, race, and special education status.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 37. Minnesota Statutes 2020, section 121A.55, is amended to read:

121A.55 POLICIES TO BE ESTABLISHED.

(a) The commissioner of education shall promulgate guidelines including guidance on how to appropriately and equitably engage stakeholders to review and revise discipline policies that are restorative and responsive to assist each school board. Each school board shall must establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56. The policies shall must include nonexclusionary disciplinary policies and practices consistent with section 121A.41, subdivision 12, and emphasize preventing dismissals through early and individual detection of ~~problems and~~ shall needs and providing the necessary multitiered supports to meet students' needs. The policies must be designed to ~~address~~ prevent students' inappropriate behavior from recurring.

(b) The policies ~~shall~~ must recognize the school's continuing responsibility ~~of the school~~ for the education of the pupil during the dismissal period.

(1) A school is responsible for ensuring that the alternative educational services, if the pupil wishes to take advantage of them, provided to a pupil must be adequate to allow the pupil to make progress towards toward meeting the graduation standards adopted under section 120B.02 and help prepare the pupil for readmission, and are in accordance with section 121A.46, subdivision 5.

(2) For expulsions and exclusionary dismissals, as well as for pupil withdrawal agreements as defined in section 121A.41, subdivision 13:

(i) A school district's continuing responsibility includes reviewing the pupil's school work and grades on a quarterly basis to ensure the pupil is on track for readmission with the pupil's peers. A school district must communicate on a regular basis with the pupil's parent to ensure the pupil is completing the work assigned through the alternative educational services.

(ii) Nothing in this section prohibits a school-linked mental health provider from continuing to provide services after the student enrolls in a new school district.

(iii) A school district must provide to the pupil's parent or guardian information on how to access mental health services, including a list of any free or sliding fee providers in the community. The information must also be posted on the district or charter school website.

~~(b)~~ (c) An area learning center under section 123A.05 may not prohibit an expelled or excluded pupil from enrolling solely because a district expelled or excluded the pupil. The board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to exclude a pupil or to require an admission plan.

(e) (d) Each school district shall develop a policy and report it to the commissioner on the appropriate use of peace officers and crisis teams to remove students who have an individualized education program from school grounds.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 38. Minnesota Statutes 2020, section 121A.58, is amended to read:

121A.58 CORPORAL PUNISHMENT.

Subdivision 1. **Definition.** (a) For the purpose of this section, "corporal punishment" means conduct involving:

- (1) hitting or spanking a person with or without an object; or
- (2) unreasonable physical force that causes bodily harm or substantial emotional harm.

(b) For the purposes of this section, "prone restraint" means placing a pupil in a face-down position.

Subd. 2. **Corporal punishment not allowed.** An employee or agent of a district shall not inflict corporal punishment or cause corporal punishment to be inflicted upon a pupil to reform unacceptable conduct or as a penalty for unacceptable conduct.

Subd. 2a. Prone restraint not allowed. An employee or agent of a district, including a school resource officer or police officer contracted with the district, must not inflict prone restraint or cause prone restraint to be inflicted upon a pupil to reform unacceptable conduct or as a penalty for unacceptable conduct. Further, an employee or agent of a district, including a school resource officer or police officer contracted with the district, must not inflict any form of physical holding that restricts or impairs a pupil's ability to breathe; restricts or impairs a pupil's ability to communicate distress; places pressure or weight on a pupil's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen; or results in straddling a pupil's torso.

Subd. 3. **Violation.** Conduct that violates subdivision 2 or 2a is not a crime under section 645.241, but may be a crime under chapter 609 if the conduct violates a provision of chapter 609.

Sec. 39. Minnesota Statutes 2020, section 121A.61, is amended to read:

121A.61 DISCIPLINE AND REMOVAL OF STUDENTS FROM CLASS.

Subdivision 1. **Required policy.** Each school board must adopt, and annually review and revise, a written districtwide school discipline policy which includes ~~written rules a student code of conduct for students, minimum consequences for violations of the rules, and grounds and procedures for removal of a student from class and parameters for when input into discipline decisions by all those involved in an incident is allowed.~~ The policy must be developed in consultation with administrators, teachers, employees, pupils, parents, community members, law enforcement agencies, county attorney offices, social service agencies, and such other individuals or organizations as the board determines appropriate. A school site council may adopt additional provisions to the policy subject to the approval of the school board.

Subd. 2. **Grounds for removal from class.** The policy must establish the various grounds for which a student may be removed from a class in the district for a period of time under the procedures specified in the policy. The policy must include a procedure for notifying and meeting with a student's parent or guardian to discuss the problem that is causing the student to be removed from class after the student has been removed from class more than ten times in one school year. The grounds in the policy must ~~include at least the following provisions as well as other grounds determined appropriate by the board:~~ at least include provisions pertaining to addressing

~~(a) willful conduct that significantly disrupts the rights of others to an education, including conduct that interferes with a teacher's ability to teach or communicate effectively with students in a class or with the ability of other students to learn;~~

~~(b) willful conduct that endangers surrounding persons, including school district employees, the student or other students, or the property of the school; and~~

~~(c) willful violation of any rule of conduct specified in the discipline policy adopted by the board.~~

Subd. 3. **Policy components.** The policy must include at least the following components:

(a) rules governing student conduct and procedures for informing students of the rules;

(b) the grounds for removal of a student from a class;

(c) the authority of the classroom teacher to remove students from the classroom pursuant to procedures and rules established in the district's policy;

(d) the procedures for removal of a student from a class by a teacher, school administrator, or other school district employee;

(e) the period of time for which a student may be removed from a class, which may not exceed five class periods for a violation of a rule of conduct;

(f) provisions relating to the responsibility for and custody of a student removed from a class;

(g) the procedures for return of a student to the specified class from which the student has been removed;

(h) the procedures for notifying a student and the student's parents or guardian of violations of the rules of conduct and of resulting disciplinary actions;

(i) any procedures determined appropriate for encouraging early involvement of parents or guardians in attempts to improve a student's behavior;

(j) any procedures determined appropriate for encouraging early detection of behavioral problems;

(k) any procedures determined appropriate for referring a student in need of special education services to those services;

(l) the procedures for consideration of whether there is a need for a further assessment or of whether there is a need for a review of the adequacy of a current individualized education program of a student with a disability who is removed from class;

(m) procedures for detecting and addressing chemical abuse problems of a student while on the school premises;

~~(n) the minimum consequences for violations of the code of conduct;~~

~~(o) (n) procedures for immediate timely and appropriate interventions tied to violations of the code;~~

~~(p) (o) a provision that states that a teacher, school employee, school bus driver, or other agent of a district may use reasonable force in compliance with section 121A.582 and other laws;~~

~~(p)~~ (p) an agreement regarding procedures to coordinate crisis services to the extent funds are available with the county board responsible for implementing sections 245.487 to 245.4889 for students with a serious emotional disturbance or other students who have an individualized education program whose behavior may be addressed by crisis intervention; ~~and~~

~~(q)~~ (q) a provision that states a student must be removed from class immediately if the student engages in assault or violent behavior. For purposes of this paragraph, "assault" has the meaning given it in section 609.02, subdivision 10. The removal shall be for a period of time deemed appropriate by the principal, in consultation with the teacher; and

(r) a prohibition on the use of exclusionary practices to address attendance and truancy issues.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 40. Minnesota Statutes 2020, section 124D.09, subdivision 3, is amended to read:

Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings given to them.

(a) "Eligible institution" means a Minnesota public postsecondary institution, a private, nonprofit two-year trade and technical school granting associate degrees, an opportunities industrialization center accredited by an accreditor recognized by the United States Department of Education, or a private, residential, two-year or four-year, liberal arts, degree-granting college or university located in Minnesota. An eligible institution cannot require or base any part of the admission decision on a student's race, color, creed, religion, national origin, sex, age, marital status, status with regard to public assistance, sexual orientation, disability, or gender.

(b) "Course" means a course or program.

(c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under subdivision 5 or 5b enrolls to earn both secondary and postsecondary credits, are taught by a secondary teacher or a postsecondary faculty member, and are offered at a high school for which the district is eligible to receive concurrent enrollment program aid under section 124D.091.

Sec. 41. Minnesota Statutes 2020, section 124D.09, subdivision 7, is amended to read:

Subd. 7. **Dissemination of information; Notification of intent to enroll.** By the earlier of (1) three weeks prior to the date by which a student must register for district courses for the following school year, or (2) March 1 of each year, a district must provide up-to-date information on the district's website and in materials that are distributed to parents and students about the program, including information about enrollment requirements and the ability to earn postsecondary credit to all pupils in grades 8, 9, 10, and 11. To assist the district in planning, a pupil must inform the district ~~by May 30 of each year~~ of the pupil's intent to enroll in postsecondary courses during the following school year. A pupil is bound by notifying or not notifying the district by May 30 term. A pupil who does not notify the district of their intent to enroll by May 30 for the fall term or October 30 for the spring term may not enroll in postsecondary courses under this section.

Sec. 42. Minnesota Statutes 2020, section 124D.09, subdivision 8, is amended to read:

Subd. 8. **Limit on participation.** A pupil who first enrolls in grade 9 may not enroll in postsecondary courses under this section for secondary credit for more than the equivalent of four academic years. A pupil who first enrolls in grade 10 may not enroll in postsecondary courses under this section for secondary credit for more than the equivalent of three academic years. A pupil who first enrolls in grade 11 may not enroll in postsecondary courses under this section for secondary credit for more than the equivalent of two academic years. A pupil who first enrolls

in grade 12 may not enroll in postsecondary courses under this section for secondary credit for more than the equivalent of one academic year. If a pupil in grade 9, 10, 11, or 12 first enrolls in a postsecondary course for secondary credit during the school year, the time of participation shall be reduced proportionately. If a pupil is in a learning year or other year-round program and begins each grade in the summer session, summer sessions shall not be counted against the time of participation. If a school district determines a pupil is not on track to graduate, the limit on participation does not apply to that pupil. ~~A pupil who has graduated from high school cannot participate in a program under this section. A pupil who has completed course requirements for graduation but who has not received a diploma may participate in the program under this section.~~ A pupil who has completed course requirements for graduation but who has not received a diploma may participate in the program under this section until the earlier of the end of the school year in which those requirements are met or the school year in which the pupil's peers graduated.

Sec. 43. Minnesota Statutes 2020, section 124D.09, subdivision 13, is amended to read:

Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section, the department must make payments according to this subdivision for courses that were taken for secondary credit.

The department must not make payments to a school district or postsecondary institution for a course taken for postsecondary credit only. The department must not make payments to a postsecondary institution for a course from which a student officially withdraws during the first ~~14~~ ten business days of the postsecondary institution's quarter or semester or who has been absent from the postsecondary institution for the first ~~15 consecutive school~~ ten business days of the postsecondary institution's quarter or semester and is not receiving instruction in the home or hospital.

A postsecondary institution shall receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance minus \$425, multiplied by 1.2, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance minus \$425, multiplied by 1.2, and divided by 30.

The department must pay to each postsecondary institution 100 percent of the amount in clause (1) or (2) within 45 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the postsecondary institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department notifies a postsecondary institution that an overpayment has been made, the institution shall promptly remit the amount due.

Sec. 44. Minnesota Statutes 2020, section 124D.095, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Digital learning" is learning facilitated by technology that offers students an element of control over the time, place, path, or pace of their learning and includes blended and online learning.

(b) "Blended learning" is a form of digital learning that occurs when a student learns part time in a supervised physical setting and part time through digital delivery of instruction, or a student learns in a supervised physical setting where technology is used as a primary method to deliver instruction.

(c) "Online learning" is a form of digital learning delivered by an approved online learning provider under paragraph ~~(d)~~ (e).

(d) "Hybrid learning" uses blended learning in a way that combines scheduled in-person instruction and distance learning.

(e) "Online learning provider" is a school district, an intermediate school district, an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides online learning to students and is approved by the department to provide online learning courses.

(f) "Student" is a Minnesota resident enrolled in a school under section 120A.22, subdivision 4, in kindergarten through grade 12.

(g) "Online learning student" is a student enrolled in an online learning course or program delivered by an online learning provider under paragraph (e).

(h) "Enrolling district" means the school district or charter school in which a student is enrolled under section 120A.22, subdivision 4, for purposes of compulsory attendance.

(i) "Supplemental online learning" means an online learning course taken in place of a course period at a local district school.

(j) "Full-time online learning provider" means an enrolling school authorized by the department to deliver comprehensive public education at any or all of the elementary, middle, or high school levels.

(k) "Online learning course syllabus" is a written document that an online learning provider transmits to the enrolling district using a format prescribed by the commissioner to identify the state academic standards embedded in an online course, the course content outline, required course assessments, expectations for actual teacher contact time and other student-to-teacher communications, and the academic support available to the online learning student.

Sec. 45. Minnesota Statutes 2020, section 124D.095, subdivision 7, is amended to read:

Subd. 7. **Department of Education.** (a) The department must review and approve or disapprove online learning providers within 90 calendar days of receiving an online learning provider's completed application. The commissioner, using research-based standards of quality for online learning programs, must review all approved online learning providers on a cyclical three-year basis. Approved online learning providers annually must submit program data to, confirm statements of assurances for, and provide program updates including a current course list to the commissioner.

(b) The online learning courses and programs must be rigorous, aligned with state academic standards, and contribute to grade progression in a single subject. The online learning provider, other than a digital learning provider offering digital learning to its enrolled students only under subdivision 4, paragraph (d), must give the commissioner written assurance that: (1) all courses meet state academic standards; and (2) the online learning curriculum, instruction, and assessment, expectations for actual teacher-contact time or other student-to-teacher communication, and academic support meet nationally recognized professional standards and are described as such in an online learning course syllabus that meets the commissioner's requirements. Once an online learning provider is approved under this paragraph, all of its online learning course offerings are eligible for payment under this section unless a course is successfully challenged by an enrolling district or the department under paragraph (c).

(c) An enrolling district may challenge the validity of a course offered by an online learning provider. The department must review such challenges based on the approval procedures under paragraph (b). The department may initiate its own review of the validity of an online learning course offered by an online learning provider.

(d) The department may collect a fee not to exceed \$250 for approving online learning providers or \$50 per course for reviewing a challenge by an enrolling district.

(e) The department must develop, publish, and maintain a list of online learning providers that it has reviewed and approved.

(f) The department may review a complaint about an online learning provider, or a complaint about a provider based on the provider's response to notice of a violation. If the department determines that an online learning provider violated a law or rule, the department may:

(1) create a compliance plan for the provider; or

(2) withhold funds from the provider under sections 124D.095, 124E.25, and 127A.42. The department must notify an online learning provider in writing about withholding funds and provide detailed calculations.

(g) An online learning program fee administration account is created in the special revenue fund. Funds retained under paragraph (d) shall be deposited in the account. Money in the account is appropriated to the commissioner for costs associated with administering and monitoring online and digital learning programs.

Sec. 46. Minnesota Statutes 2020, section 124D.128, subdivision 1, is amended to read:

Subdivision 1. **Program established.** A learning year program provides instruction throughout the year on an extended year calendar, ~~extended school day calendar, or both.~~ ~~A pupil may participate in the program and accelerate attainment of grade level requirements or graduation requirements.~~ A learning year program may begin after the close of the regular school year in June. The program may be for students in one or more grade levels from kindergarten through grade 12.

Sec. 47. Minnesota Statutes 2020, section 124D.128, subdivision 3, is amended to read:

Subd. 3. **Student planning.** A district, ~~charter school,~~ or state-approved alternative program must inform all pupils and their parents about the learning year program and that participation in the program is optional. A continual learning plan must be developed at least annually for each pupil with the participation of the pupil, parent or guardian, teachers, and other staff; each participant must sign and date the plan. The plan must specify the learning experiences that must occur during the entire fiscal year and are necessary for grade progression or, for secondary students, graduation. The plan must include:

(1) the pupil's learning objectives and experiences, including courses or credits the pupil plans to complete each year and, for a secondary pupil, the graduation requirements the student must complete;

(2) the assessment measurements used to evaluate a pupil's objectives;

(3) requirements for grade level or other appropriate progression; and

(4) for pupils generating more than one average daily membership in a given grade, an indication of which objectives were unmet.

The plan may be modified to conform to district schedule changes. The district may not modify the plan if the modification would result in delaying the student's time of graduation.

Sec. 48. Minnesota Statutes 2020, section 124D.74, subdivision 1, is amended to read:

Subdivision 1. **Program described.** American Indian education programs are programs in public elementary and secondary schools, nonsectarian nonpublic, community, Tribal, charter, or alternative schools enrolling American Indian children designed to:

- (1) support postsecondary preparation for pupils;
- (2) support the academic achievement of American Indian students;
- (3) make the curriculum relevant to the needs, interests, and cultural heritage of American Indian pupils;
- (4) provide positive reinforcement of the self-image of American Indian pupils;
- (5) develop intercultural awareness among pupils, parents, and staff; and
- (6) supplement, not supplant, state and federal educational and cocurricular programs.

Program services designed to increase completion and graduation rates of American Indian students must emphasize academic achievement, retention, and attendance; development of support services for staff, including in-service training and technical assistance in methods of teaching American Indian pupils; research projects, including innovative teaching approaches and evaluation of methods of relating to American Indian pupils; provision of career counseling to American Indian pupils; modification of curriculum, instructional methods, and administrative procedures to meet the needs of American Indian pupils; and ~~supplemental~~ instruction in American Indian language, literature, history, and culture. Districts offering programs may make contracts for the provision of program services by establishing cooperative liaisons with Tribal programs and American Indian social service agencies. These programs may also be provided as components of early childhood and family education programs.

Sec. 49. Minnesota Statutes 2020, section 124D.74, subdivision 3, is amended to read:

Subd. 3. **Enrollment of other children; shared time enrollment.** ~~To the extent it is economically feasible that~~ the unique educational and culturally related academic needs of American Indian people are met and American Indian student accountability factors are the same or higher than their non-Indian peers, a district or participating school may make provision for the voluntary enrollment of non-American Indian children in the instructional components of an American Indian education program in order that they may acquire an understanding of the cultural heritage of the American Indian children for whom that particular program is designed. However, in determining eligibility to participate in a program, priority must be given to American Indian children. American Indian children and other children enrolled in an existing nonpublic school system may be enrolled on a shared time basis in American Indian education programs.

Sec. 50. Minnesota Statutes 2020, section 124D.78, subdivision 1, is amended to read:

Subdivision 1. **Parent committee.** School boards and American Indian schools must provide for the maximum involvement of parents of children enrolled in education programs, programs for elementary and secondary grades, special education programs, and support services. Accordingly, the board of a school district in which there are ten or more American Indian students enrolled and each American Indian school must establish an American Indian education parent advisory committee. For purposes of this section, American Indian students are defined as persons having origins in any of the original peoples of North America who maintain cultural identification through Tribal affiliation or community recognition. If a committee whose membership consists of a majority of parents of American Indian children has been or is established according to federal, Tribal, or other state law, that committee may serve as the committee required by this section and is subject to, at least, the requirements of this subdivision and subdivision 2.

The American Indian education parent advisory committee must develop its recommendations in consultation with the curriculum advisory committee required by section 120B.11, subdivision 3. This committee must afford parents the necessary information and the opportunity effectively to express their views concerning all aspects of American Indian education and the educational needs of the American Indian children enrolled in the school or program. The school board or American Indian school must ensure that programs are planned, operated, and evaluated with the involvement of and in consultation with parents of students served by the programs.

Sec. 51. Minnesota Statutes 2020, section 124D.78, subdivision 3, is amended to read:

Subd. 3. **Membership.** The American Indian education parent advisory committee must be composed of parents of children eligible to be enrolled in American Indian education programs; secondary students eligible to be served; American Indian language and culture education teachers and paraprofessionals; American Indian teachers; counselors; adult American Indian people enrolled in educational programs; and representatives from community groups. A majority of each committee must be parents of American Indian children enrolled or eligible to be enrolled in the programs. ~~The number of parents of American Indian and non-American Indian children shall reflect approximately the proportion of children of those groups enrolled in the programs.~~

Sec. 52. Minnesota Statutes 2020, section 124D.791, subdivision 4, is amended to read:

Subd. 4. **Duties; powers.** The Indian education director shall oversee:

(1) ~~serve as the liaison for the~~ department relations with the Tribal Nations Education Committee, the 11 Tribal communities in Minnesota, the Minnesota Chippewa Tribe, and the Minnesota Indian Affairs Council;

(2) ~~evaluate~~ the evaluation of the state of American Indian education in Minnesota;

(3) ~~engage~~ the engagement of Tribal bodies, community groups, parents of children eligible to be served by American Indian education programs, American Indian administrators and teachers, persons experienced in the training of teachers for American Indian education programs, the Tribally controlled schools, and other persons knowledgeable in the field of American Indian education and seek their advice on policies that can improve the quality of American Indian education;

(4) ~~advise~~ advice to the commissioner on American Indian education issues, including:

(i) issues facing American Indian students;

(ii) policies for American Indian education;

(iii) awarding scholarships to eligible American Indian students and in administering the commissioner's duties regarding awarding of American Indian education grants to school districts; and

(iv) administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs for the education of American Indian people;

(5) ~~propose~~ proposals to the commissioner on legislative changes that will improve the quality of American Indian education;

(6) ~~develop~~ development of a strategic plan and a long-term framework for American Indian education, in conjunction with the Minnesota Indian Affairs Council, that is updated every five years and implemented by the commissioner, with goals to:

(i) increase American Indian student achievement, including increased levels of proficiency and growth on statewide accountability assessments;

(ii) increase the number of American Indian teachers in public schools;

(iii) close the achievement gap between American Indian students and their more advantaged peers;

- (iv) increase the statewide graduation rate for American Indian students; and
- (v) increase American Indian student placement in postsecondary programs and the workforce; and
- (7) ~~keep~~ keeping the American Indian community informed about the work of the department by reporting to the Tribal Nations Education Committee at each committee meeting.

Sec. 53. **[124D.792] GRADUATION CEREMONIES; TRIBAL REGALIA AND OBJECTS OF CULTURAL SIGNIFICANCE.**

A school district or charter school must not prohibit an American Indian student from wearing American Indian regalia, Tribal regalia, or objects of cultural significance at graduation ceremonies.

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

Sec. 54. Minnesota Statutes 2020, section 124D.81, is amended to read:

124D.81 AMERICAN INDIAN EDUCATION AID.

Subdivision 1. **Procedures.** A school district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or American Indian-controlled tribal contract or grant school enrolling at least 20 American Indian students on October 1 of the previous school year and operating an American Indian education program according to section 124D.74 is eligible for Indian education aid if it meets the requirements of this section. Programs may provide for contracts for the provision of program components by nonsectarian nonpublic, community, tribal, charter, or alternative schools. The commissioner shall prescribe the form and manner of application for aids, and no aid shall be made for a program not complying with the requirements of sections 124D.71 to 124D.82.

Subd. 2. **Plans.** To qualify for aid, an eligible district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or tribal contract school must develop and submit a plan for approval by the Indian education director that shall:

- (a) Identify the measures to be used to meet the requirements of sections 124D.71 to 124D.82;
- (b) Identify the activities, methods and programs to meet the identified educational needs of the children to be enrolled in the program;
- (c) Describe how district goals and objectives as well as the objectives of sections 124D.71 to 124D.82 are to be achieved;
- (d) Demonstrate that required and elective courses as structured do not have a discriminatory effect within the meaning of section 124D.74, subdivision 5;
- (e) Describe how each school program will be organized, staffed, coordinated, and monitored; and
- (f) Project expenditures for programs under sections 124D.71 to 124D.82.

Subd. 2a. **American Indian education aid.** (a) The American Indian education aid allowance equals \$358 for fiscal years 2022 and 2023. The American Indian education aid allowance for fiscal year 2024 and later equals the product of \$358 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

(b) The American Indian education aid minimum equals \$20,000 for fiscal years 2022 and 2023. The American Indian education aid minimum for fiscal year 2024 and later equals the product of \$20,000 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

~~(a)~~ (c) The American Indian education aid for an eligible district, cooperative unit, or tribal contract school equals the greater of (1) the sum of ~~\$20,000~~ the American Indian education aid minimum plus the product of ~~\$358~~ the American Indian education aid allowance times the difference between the number of American Indian students enrolled on October 1 of the previous school year and 20; or (2) if the district or school received a grant under this section for fiscal year 2015, the amount of the grant for fiscal year 2015.

~~(b)~~ (d) Notwithstanding paragraph ~~(a)~~ (c), the American Indian education aid must not exceed the district, cooperative unit, or tribal contract school's actual expenditure according to the approved plan under subdivision 2.

Subd. 3. **Additional requirements.** Each district or cooperative unit receiving aid under this section must each year conduct a count of American Indian children in the schools of the district; test for achievement; identify the extent of other educational needs of the children to be enrolled in the American Indian education program; and classify the American Indian children by grade, level of educational attainment, age and achievement. Participating schools must maintain records concerning the needs and achievements of American Indian children served.

Subd. 4. **Nondiscrimination; testing.** In accordance with recognized professional standards, all testing and evaluation materials and procedures utilized for the identification, testing, assessment, and classification of American Indian children must be selected and administered so as not to be racially or culturally discriminatory and must be valid for the purpose of identifying, testing, assessing, and classifying American Indian children.

Subd. 5. **Records.** Participating schools ~~and~~ districts, and cooperative units must keep records and afford access to them as the commissioner finds necessary to ensure that American Indian education programs are implemented in conformity with sections 124D.71 to 124D.82. Each school district, cooperative unit, or participating school must keep accurate, detailed, and separate revenue and expenditure accounts for pilot American Indian education programs funded under this section.

Subd. 6. **Money from other sources.** A district, cooperative unit, or participating school providing American Indian education programs shall be eligible to receive moneys for these programs from other government agencies and from private sources when the moneys are available.

Subd. 7. **Exceptions.** Nothing in sections 124D.71 to 124D.82 shall be construed as prohibiting a district, cooperative unit, or school from implementing an American Indian education program which is not in compliance with sections 124D.71 to 124D.82 if the proposal and plan for that program is not funded pursuant to this section.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 55. Minnesota Statutes 2020, section 124D.861, subdivision 2, is amended to read:

Subd. 2. **Plan implementation; components.** (a) The school board of each eligible district must formally develop and implement a long-term plan under this section. The plan must be incorporated into the district's comprehensive strategic plan under section 120B.11. ~~Plan components may include: innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices; family engagement initiatives that involve families in their students' academic life and success; professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including teachers and administrators who are members of populations underrepresented among the licensed teachers or administrators in the district or school and who reflect the diversity of students under section 120B.35,~~

~~subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school; increased programmatic opportunities and effective and more diverse instructors focused on rigor and college and career readiness for underserved students, including students enrolled in alternative learning centers under section 123A.05, public alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students; or recruitment and retention of teachers and administrators with diverse racial and ethnic backgrounds.~~

(b) The plan must contain goals for:

(1) reducing the disparities in academic achievement and in equitable access to effective and more diverse teachers among all students and specific categories of students under section 120B.35, subdivision 3, paragraph (b), excluding the student categories of gender, disability, and English learners; and

(2) increasing racial and economic diversity and integration in schools and districts.

(c) The plan must include strategies to validate, affirm, embrace, and integrate cultural and community strengths of all students, families, and employees in the district's curriculum as well as learning and work environments, and to address issues of institutional racism as defined in section 120B.11, subdivision 1, in schools that create opportunity and achievement gaps for students, families, and staff who are of color or American Indian. Examples of institutional racism experienced by students who are of color or American Indian include policies and practices that intentionally or unintentionally result in disparate discipline referrals and suspension, inequitable access to advanced coursework, overrepresentation in lower-level coursework, inequitable participation in cocurricular activities, inequitable parent involvement, and lack of equitable access to racially and ethnically diverse teachers who reflect the racial or ethnic diversity of students because it has not been a priority to hire or retain such teachers.

(d) School districts must use local data, to the extent practicable, to develop plan components and strategies. Plans may include:

(1) innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices;

(2) family engagement initiatives that involve families in their students' academic life and success and improve relations between home and school;

(3) opportunities for students, families, staff, and community members who are of color or American Indian to share their experiences in the school setting with school staff and administration and to inform development of specific proposals for making school environments more validating, affirming, embracing, and integrating of their cultural and community strengths;

(4) professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including knowledge, skills, and dispositions needed to be anti-racist and culturally sustaining as defined in section 120B.11, subdivision 1, for serving students who are from racially and ethnically diverse backgrounds;

(5) recruitment and retention of teachers, administrators, cultural and family liaisons, paraprofessionals, and other staff from racial, ethnic, and linguistic backgrounds represented in the student population to strengthen relationships with all students, families, and other members of the community;

(6) collection, examination, and evaluation of academic and discipline data for institutional racism as defined in section 120B.11, subdivision 1, in structures, policies, and practices that result in the education disparities, in order to propose anti-racist changes as defined in section 120B.11, subdivision 1, that increase access, meaningful participation, representation, and positive outcomes for students of color and American Indian students;

(7) increased programmatic opportunities and effective and more diverse instructors focused on rigor and college and career readiness for students who are impacted by racial, gender, linguistic, and economic disparities, including students enrolled in area learning centers or alternative learning programs under section 123A.05, state-approved alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students;

(8) ethnic studies curriculum as defined in section 120B.11, subdivision 1, to provide all students with opportunities to learn about their own and others' cultures and historical experiences; or

(9) examination and revision of district curricula in all subjects to be inclusive of diverse racial and ethnic groups while meeting state academic standards and being culturally sustaining as defined in section 120B.11, subdivision 1, ensuring content being studied about any group is accurate and based in knowledge from that group.

~~(b)~~ (e) Among other requirements, an eligible district must implement effective, research-based interventions that include formative multiple measures of assessment practices and engagement in order to reduce the eliminate academic disparities in student academic performance among the specific categories of students as measured by student progress and growth on state reading and math assessments and for students impacted by racial, gender, linguistic, and economic inequities as aligned with section 120B.11.

~~(c)~~ (f) Eligible districts must create efficiencies and eliminate duplicative programs and services under this section, which may include forming collaborations or a single, seven-county metropolitan areawide partnership of eligible districts for this purpose.

EFFECTIVE DATE. This section is effective for all plans reviewed and updated after the day following final enactment.

Sec. 56. Minnesota Statutes 2020, section 125A.094, is amended to read:

125A.094 RESTRICTIVE PROCEDURES FOR CHILDREN WITH DISABILITIES.

The use of restrictive procedures ~~for children with disabilities~~ for all pupils attending public school is governed by sections 125A.0941 and 125A.0942.

Sec. 57. Minnesota Statutes 2020, section 125A.0942, is amended to read:

125A.0942 STANDARDS FOR RESTRICTIVE PROCEDURES.

Subdivision 1. **Restrictive procedures plan.** (a) Schools that intend to use restrictive procedures shall maintain and make publicly accessible in an electronic format on a school or district website or make a paper copy available upon request describing a restrictive procedures plan for children with disabilities that at least:

(1) lists the restrictive procedures the school intends to use;

(2) describes how the school will implement a range of positive behavior strategies and provide links to mental health services;

(3) describes how the school will provide training on de-escalation techniques, consistent with section 122A.187, subdivision 4;

(4) describes how the school will monitor and review the use of restrictive procedures, including:

(i) conducting post-use debriefings, consistent with subdivision 3, paragraph (a), clause (5); and

(ii) convening an oversight committee to undertake a quarterly review of the use of restrictive procedures based on patterns or problems indicated by similarities in the time of day, day of the week, duration of the use of a procedure, the individuals involved, or other factors associated with the use of restrictive procedures; the number of times a restrictive procedure is used schoolwide and for individual children; the number and types of injuries, if any, resulting from the use of restrictive procedures; whether restrictive procedures are used in nonemergency situations; the need for additional staff training; disproportionality or racial disparities in the usage of restrictive procedures; the usage of school resource officer's handling of the behaviors; student documentation to determine if the staff followed the standards for using restrictive procedures and if there is updated information about whether the restrictive procedures are contraindicated for the particular student; and proposed actions to minimize the use of restrictive procedures; and

(5) includes a written description and documentation of the training staff completed under subdivision 5.

(b) Schools annually must publicly identify oversight committee members who must at least include:

(1) a mental health professional, school psychologist, or school social worker;

(2) an expert in positive behavior strategies;

(3) a special education administrator; and

(4) a general education administrator.

Subd. 2. **Restrictive procedures.** (a) Restrictive procedures may be used only by a licensed special education teacher, school social worker, school psychologist, behavior analyst certified by the National Behavior Analyst Certification Board, a person with a master's degree in behavior analysis, other licensed education professional, paraprofessional under section 120B.363, or mental health professional under section 245.4871, subdivision 27, who has completed the training program under subdivision 5.

(b) A school shall make reasonable efforts to notify the parent on the same day a restrictive procedure is used on the child, or if the school is unable to provide same-day notice, notice is sent within two days by written or electronic means or as otherwise indicated by the child's parent under paragraph (f).

(c) The district must hold a meeting of the individualized education program team, if the student is a student with a disability, or a meeting of relevant members of the student's team including a parent, if the student is not a student with a disability, conduct or review a functional behavioral analysis, review data, consider developing additional or revised positive behavioral interventions and supports, consider actions to reduce the use of restrictive procedures, and modify the individualized education program or behavior intervention plan as appropriate. The district must hold the meeting: within ten calendar days after district staff use restrictive procedures on two separate school days within 30 calendar days or a pattern of use emerges and the child's individualized education program or behavior intervention plan does not provide for using restrictive procedures in an emergency; or at the request of a parent or the district after restrictive procedures are used. The district must review use of restrictive procedures at a child's annual individualized education program meeting when the child's individualized education program provides for using restrictive procedures in an emergency.

(d) If the ~~individualized education program~~ meeting team under paragraph (c) determines that existing interventions and supports are ineffective in reducing the use of restrictive procedures or the district uses restrictive procedures on a child on ten or more school days during the same school year, the team, as appropriate, either must consult with other professionals working with the child; consult with experts in behavior analysis, mental health, communication, or autism; consult with culturally competent professionals; review existing evaluations, resources, and successful strategies; or consider whether to reevaluate the child.

(e) At the ~~individualized education program~~ meeting under paragraph (c), the team must review any known medical or psychological limitations, including any medical information the parent provides voluntarily, that contraindicate the use of a restrictive procedure, consider whether to prohibit that restrictive procedure, and document any prohibition in the individualized education program or behavior intervention plan.

(f) An individualized education program team may plan for using restrictive procedures and may include these procedures in a child's individualized education program or behavior intervention plan; however, the restrictive procedures may be used only in response to behavior that constitutes an emergency, consistent with this section. The individualized education program or behavior intervention plan shall indicate how the parent wants to be notified when a restrictive procedure is used.

Subd. 3. **Physical holding or seclusion.** (a) Physical holding or seclusion may be used only in an emergency. A school that uses physical holding or seclusion shall meet the following requirements:

- (1) physical holding or seclusion is the least intrusive intervention that effectively responds to the emergency;
- (2) physical holding or seclusion is not used to discipline a noncompliant child;
- (3) physical holding or seclusion ends when the threat of harm ends and the staff determines the child can safely return to the classroom or activity;
- (4) staff directly observes the child while physical holding or seclusion is being used;
- (5) each time physical holding or seclusion is used, the staff person who implements or oversees the physical holding or seclusion documents, as soon as possible after the incident concludes, the following information:
 - (i) a description of the incident that led to the physical holding or seclusion;
 - (ii) why a less restrictive measure failed or was determined by staff to be inappropriate or impractical;
 - (iii) the time the physical holding or seclusion began and the time the child was released; ~~and~~
 - (iv) a brief record of the child's behavioral and physical status; and
 - (v) a brief description of the post-use debriefing process that occurred following the use of the restrictive procedure;

- (6) the room used for seclusion must:
 - (i) be at least six feet by five feet;
 - (ii) be well lit, well ventilated, adequately heated, and clean;
 - (iii) have a window that allows staff to directly observe a child in seclusion;
 - (iv) have tamperproof fixtures, electrical switches located immediately outside the door, and secure ceilings;
 - (v) have doors that open out and are unlocked, locked with keyless locks that have immediate release mechanisms, or locked with locks that have immediate release mechanisms connected with a fire and emergency system; and
 - (vi) not contain objects that a child may use to injure the child or others; and

(7) before using a room for seclusion, a school must:

(i) receive written notice from local authorities that the room and the locking mechanisms comply with applicable building, fire, and safety codes; and

(ii) register the room with the commissioner, who may view that room.

(b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary, recommend to the commissioner specific and measurable implementation and outcome goals for reducing the use of restrictive procedures and the commissioner must submit to the legislature a report on districts' progress in reducing the use of restrictive procedures that recommends how to further reduce these procedures and eliminate the use of seclusion. The statewide plan includes the following components: measurable goals; the resources, training, technical assistance, mental health services, and collaborative efforts needed to significantly reduce districts' use of seclusion; and recommendations to clarify and improve the law governing districts' use of restrictive procedures. The commissioner must consult with interested stakeholders when preparing the report, including representatives of advocacy organizations, special education directors, teachers, paraprofessionals, intermediate school districts, school boards, day treatment providers, county social services, state human services department staff, mental health professionals, and autism experts. Beginning with the 2016-2017 school year, in a form and manner determined by the commissioner, districts must report data quarterly to the department by January 15, April 15, July 15, and October 15 about individual students who have been secluded. By July 15 each year, districts must report summary data on their use of restrictive procedures to the department for the prior school year, July 1 through June 30, in a form and manner determined by the commissioner. The summary data must include information about the use of restrictive procedures, including use of reasonable force under section 121A.582.

Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

(1) engaging in conduct prohibited under section 121A.58;

(2) requiring a child to assume and maintain a specified physical position, activity, or posture that induces physical pain;

(3) totally or partially restricting a child's senses as punishment;

(4) presenting an intense sound, light, or other sensory stimuli using smell, taste, substance, or spray as punishment;

(5) denying or restricting a child's access to equipment and devices such as walkers, wheelchairs, hearing aids, and communication boards that facilitate the child's functioning, except when temporarily removing the equipment or device is needed to prevent injury to the child or others or serious damage to the equipment or device, in which case the equipment or device shall be returned to the child as soon as possible;

(6) interacting with a child in a manner that constitutes sexual abuse, neglect, or physical abuse under chapter 260E;

(7) withholding regularly scheduled meals or water;

(8) denying access to bathroom facilities;

(9) physical holding that restricts or impairs a child's ability to breathe, restricts or impairs a child's ability to communicate distress, places pressure or weight on a child's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in straddling a child's torso; ~~and~~

(10) prone restraint; and

(11) utilizing a restrictive procedure on any child under the age of five.

Subd. 5. **Training for staff.** (a) To meet the requirements of subdivision 1, staff who use restrictive procedures, including paraprofessionals, shall complete training in the following skills and knowledge areas:

(1) positive behavioral interventions;

(2) communicative intent of behaviors;

(3) relationship building;

(4) alternatives to restrictive procedures, including techniques to identify events and environmental factors that may escalate behavior;

(5) de-escalation methods;

(6) standards for using restrictive procedures only in an emergency;

(7) obtaining emergency medical assistance;

(8) the physiological and psychological impact of physical holding and seclusion;

(9) monitoring and responding to a child's physical signs of distress when physical holding is being used;

(10) recognizing the symptoms of and interventions that may cause positional asphyxia when physical holding is used;

(11) district policies and procedures for timely reporting and documenting each incident involving use of a restricted procedure; and

(12) schoolwide programs on positive behavior strategies.

(b) The commissioner, after consulting with the commissioner of human services, must develop and maintain a list of training programs that satisfy the requirements of paragraph (a). The commissioner also must develop and maintain a list of experts to help individualized education program teams reduce the use of restrictive procedures. The district shall maintain records of staff who have been trained and the organization or professional that conducted the training. The district may collaborate with children's community mental health providers to coordinate trainings.

Subd. 6. **Behavior supports; reasonable force.** (a) School districts are encouraged to establish effective schoolwide systems of positive behavior interventions and supports.

(b) Nothing in this section or section 125A.0941 precludes the use of reasonable force under sections 121A.582; 609.06, subdivision 1; and 609.379. For the 2014-2015 school year and later, districts must collect and submit to the commissioner summary data, consistent with subdivision 3, paragraph (b), on district use of reasonable force that is consistent with the definition of physical holding or seclusion for a child with a disability under this section.

Sec. 58. Minnesota Statutes 2020, section 144.4165, is amended to read:

144.4165 TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.

(a) No person shall at any time smoke, chew, or otherwise ingest tobacco, or carry or use an activated electronic delivery device as defined in section 609.685, subdivision 1, in a public school, as defined in section 120A.05, subdivisions 9, 11, and 13, or in a charter school governed by chapter 124E. This prohibition extends to all facilities, whether owned, rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or controls.

(b) Nothing in this section shall prohibit the lighting of tobacco ~~by an adult~~ as a part of a traditional Indian spiritual or cultural ceremony. An American Indian may carry a medicine pouch containing loose tobacco intended in observance of traditional spiritual or cultural practices. For purposes of this section, an Indian is a person who is a member of an Indian Tribe as defined in section 260.755, subdivision 12, or a person who maintains cultural identification through Tribal affiliation or community recognition.

Sec. 59. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 5, as amended by Laws 2020, chapter 116, article 6, section 9, is amended to read:

Subd. 5. **Tribal contract school aid.** For tribal contract school aid under Minnesota Statutes, section 124D.83:

\$2,766,000	.....	2020
\$ 3,106,000 <u>2,319,000</u>	.....	2021

The 2020 appropriation includes \$299,000 for 2019 and \$2,467,000 for 2020.

The 2021 appropriation includes \$274,000 for 2020 and ~~\$2,832,000~~ \$2,045,000 for 2021.

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

Sec. 60. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 27, is amended to read:

Subd. 27. **Singing-based pilot program to improve student reading.** (a) For a grant to pilot a research-supported, computer-based educational program that uses singing to improve the reading ability of students in grades 2 through 5:

\$ 230,000 <u>155,000</u>	2020
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(b) The commissioner of education shall award a grant to the Rock 'n' Read Project to implement a research-supported, computer-based educational program that uses singing to improve the reading ability of students in grades 2 through 5. The grantee shall be responsible for selecting participating school sites; providing any required hardware and software, including software licenses, for the duration of the grant period; providing technical support, training, and staff to install required project hardware and software; providing on-site professional development and instructional monitoring and support for school staff and students; administering preintervention and postintervention reading assessments; evaluating the impact of the intervention; and other project management services as required. To the extent practicable, the grantee must select participating schools in urban, suburban, and greater Minnesota, and give priority to schools in which a high proportion of students do not read proficiently at grade level and are eligible for free or reduced-price lunch.

(c) By February 15, 2021, the grantee must submit a report detailing expenditures and outcomes of the grant to the commissioner of education and the chairs and ranking minority members of the legislative committees with primary jurisdiction over kindergarten through grade 12 education policy and finance.

(d) Any balance in the first year does not cancel but is available in the second year.

(e) This is a onetime appropriation. \$75,000 of the initial fiscal year 2020 appropriation is canceled to the general fund on June 29, 2021.

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

Sec. 61. **ONETIME AMERICAN INDIAN TRIBAL CONTRACT COMPENSATORY AID; FISCAL YEAR 2022.**

Notwithstanding Minnesota Statutes, section 124D.83, for fiscal year 2022 only, American Indian Tribal contract aid shall be increased by an amount equal to the greater of zero or the product of:

(1) the number of pupils enrolled at the school on October 1, 2020; and

(2) the difference between the amount generated for fiscal year 2021 by compensation revenue pupil units divided by the pupils enrolled on October 1, 2019, and the amount generated for fiscal year 2022 by compensation revenue pupil units divided by the pupils enrolled on October 1, 2020.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022.

Sec. 62. **EXTENSION FOR POSTING STUDENT PROGRESS AND OTHER DATA.**

Notwithstanding Minnesota Statutes, section 120B.36, subdivision 2, for the 2020-2021 school year only, the commissioner must post federal expectations and state student, learning, and outcome data to the department's public website no later than October 1, 2021.

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

Sec. 63. **INSTRUCTION MODEL WORKING GROUP.**

Subdivision 1. **Working group.** A working group is established to review how school districts and charter schools implemented distance and hybrid instruction due to disruptions to on-site instruction caused by COVID-19 and make recommendations to increase flexibility for school districts and charter schools to implement instruction models that meet students' diverse learning needs.

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

(b) "Distance instruction" means instruction provided to students remotely, with students and teachers interacting through synchronous and other online interactions, and students being provided appropriate education materials.

(c) "Hybrid instruction" means a manner of instruction that includes both on-site instruction and distance instruction.

(d) "On-site instruction" means instruction delivered in person by a teacher at a school facility.

Subd. 3. **Duties.** (a) The working group must study the outcomes, challenges, and successes of distance instruction during the 2019-2020 and 2020-2021 school years. In particular, the group must consider:

(1) the impact of lower class sizes on student engagement and academic growth;

(2) how modifications to the school calendar would affect learning retention and student engagement;

(3) the impact of distance instruction on students requiring special education services and supports, students identified as English learners, and students experiencing homelessness or who are highly mobile;

(4) the effect of distance instruction on students' social and emotional growth, student discipline, and bullying;

(5) how students' educational needs vary by age group; and

(6) students' access to technology.

(b) The working group must report its findings and recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education by January 17, 2022. The report must be submitted in accordance with Minnesota Statutes, section 3.195.

(c) The commissioner of education must provide technical assistance and public data on student academic needs and performance, to the extent it is available, to help the working group make evidence-based recommendations.

(d) The working group expires January 18, 2022.

Subd. 4. **Members.** (a) The commissioner of education or the commissioner's designee must serve as a member of the working group. In addition, by July 1, 2021, the commissioner of education must review applications to be named to the group and appoint the following group members:

(1) two superintendents;

(2) two elementary school teachers;

(3) two secondary school teachers;

(4) one special education teacher;

(5) one teacher in a state-approved alternative program;

(6) one school counselor;

(7) two school board members;

(8) two students;

(9) one curriculum director;

(10) one assessment coordinator;

(11) one technology director;

(12) one technology coordinator;

(13) one parent of a student enrolled in a school district or charter school;

(14) one special education director; and

(15) one teacher and one administrator from an online learning provider approved under Minnesota Statutes, section 124D.095.

(b) When appointing members to the working group, the commissioner must consider whether the working group represents communities of color, American Indian communities, and communities from throughout Minnesota.

Subd. 5. **Meetings.** (a) The commissioner of education must convene the first meeting of the working group no later than August 30, 2021. The working group must select a chair or cochairs from among its members at the first meeting. The working group must meet periodically.

(b) The commissioner must provide technical and administrative assistance to the working group upon request.

(c) Working group members are not eligible to receive expenses or per diem payments for serving on the working group.

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

Sec. 64. **DISTANCE AND HYBRID LEARNING.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Distance learning" means learning in which a student has access to appropriate educational materials and interacts with a licensed teacher.

(c) "Hybrid learning" means learning that combines distance learning with scheduled in-person instruction by a licensed teacher in a supervised physical setting.

Subd. 2. **Distance and hybrid learning options.** (a) In response to the COVID-19 pandemic, a school district or charter school may offer distance and hybrid learning options to enrolled students. A student may participate in distance or hybrid learning options only if the student and family so choose. Districts and charter schools must provide students participating in distance or hybrid learning options the option to participate in in-person instruction on the same basis as other enrolled students subject to reasonable limits on students changing between in-person and distance or hybrid learning options. Districts and charter schools must not prevent students from enrolling in courses offered by online learning providers approved under Minnesota Statutes, section 124D.095.

(b) A school district or charter school offering distance or hybrid learning options must:

(1) ensure that students and families in a distance or hybrid learning options program have access to digital devices, in-home broadband that meets or exceeds Federal Communications Commission's recommendations of 25 megabytes to download and three megabytes to upload, and digital literacy skills support;

(2) employ or contract with another district or a cooperative unit for licensed teachers to provide online instruction to no more than 40 students in an online learning course. The contract of a teacher employed by a district must meet the requirements of Minnesota Statutes, section 122A.40 or 122A.41, and a charter school must employ or contract with a teacher in accordance with Minnesota Statutes, section 124E.12, subdivision 1;

(3) provide direct supervision and control of the education program by an administrator holding an appropriate license;

(4) provide a curriculum that meets state academic standards under Minnesota Statutes, section 120B.021, and locally established learning goals consistent with those provided in the in-person school settings;

(5) provide instruction that meets the school calendar's instructional days and hours requirements;

(6) provide a student with a disability with special instruction and services as defined in Minnesota Statutes, section 125A.03, in accordance with Minnesota Statutes, chapter 125A, Minnesota Rules, chapter 3525, and the Individuals with Disabilities Education Act, including special education evaluation and development of individualized education programs under Minnesota Statutes, section 125A.08. A district offering distance or hybrid learning options must develop systems designed to identify pupils with disabilities under Minnesota Rules, part 3525.0750;

(7) provide students identified as English learners with instruction by a teacher licensed to teach bilingual education or English as a second language, and differentiated instruction in all courses consistent with state and federal law, and communicate with the families of students identified as English learners and encourage their involvement in the students' educational program; and

(8) provide meals for students participating in distance learning, including an option for delivery of weekly meals.

(c) A school district or charter school that offers distance learning does not generate revenue as an online learning provider and is not subject to application approval under Minnesota Statutes, section 124D.095.

(d) A school district or charter school offering distance or hybrid learning options must not require a teacher to provide simultaneous instruction to students in person and doing online learning at the same time.

(e) A district or charter school must provide an additional 30 minutes of daily preparation time to a teacher providing instruction to students in person and to students doing online learning at different times in one day. The district or charter school must provide the additional preparation time in one or two uninterrupted blocks of time during the regular school day. A district or charter school and the exclusive representative of teachers may agree to waive, limit, or modify the additional preparation time requirement.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year only.

Sec. 65. **PROFESSIONAL DEVELOPMENT ON LITERACY INSTRUCTION.**

Notwithstanding any law to the contrary, a district must use up to 0.5 percent of its staff development revenue under Minnesota Statutes, section 122A.61, or its literacy incentive aid under Minnesota Statutes, section 124D.98, on rigorous professional development for teachers based on the science of reading that includes:

(1) explicit, systematic, and sequential instruction in foundational reading skills and higher-order literacy skills;

(2) instruction on using structured, phonemic, phonetic multisensory methods to teach students to read; and

(3) instruction on assessing student needs and interpreting student assessment data.

EFFECTIVE DATE. This section is effective for the 2021-2022 and 2022-2023 school years only.

Sec. 66. **ONETIME AMERICAN INDIAN TRIBAL CONTRACT DECLINING ENROLLMENT AID; FISCAL YEAR 2021.**

Notwithstanding Minnesota Statutes, section 124D.83, for fiscal year 2021 only, American Indian Tribal contract aid shall be increased by an amount equal to the greater of zero or the product of:

(1) 20.5 percent of the formula allowance for fiscal year 2021; and

(2) the difference between the adjusted pupil units for fiscal year 2020 and the adjusted pupil units for fiscal year 2021.

EFFECTIVE DATE. This section is effective the day following final enactment for fiscal year 2021.

Sec. 67. **ACADEMIC STANDARDS.**

Subdivision 1. **Social studies standards.** (a) The commissioner of education must ensure that the revised social studies standards adopted as a result of the review beginning in the 2020-2021 school year include personal finance standards that improve students' financial literacy. The related benchmarks must address creating a household budget, taking out loans and accruing debt, how interest works, home mortgages, how to file taxes, the impact of student loan debt, and how to read a paycheck and payroll deductions. In developing the standards and benchmarks, the commissioner must consider the needs of young adults, low-income individuals, immigrants, and American Indian students or students of color. The commissioner is encouraged to consult with the Minnesota Council on Economic Education, the University of Minnesota Extension, and community-based organizations that promote financial literacy in underserved communities.

(b) The commissioner of education must ensure that the revised social studies standards adopted as a result of the review beginning in the 2020-2021 school year include benchmarks in government and citizenship in 11th or 12th grade.

Subd. 2. **Other standards.** Notwithstanding Minnesota Statutes, section 120B.021, the commissioner of education must suspend the review and revision of academic standards and related benchmarks in mathematics and the implementation of revised physical education and arts academic standards under Minnesota Statutes, section 120B.021, until June 1, 2022. This suspension does not prevent the commissioner from supporting schools and districts with future implementation, continuing with current rulemaking activities, or developing future statewide assessments in science or reading. The commissioner must implement a review and revision of the academic standards and related benchmarks in mathematics beginning in the 2022-2023 school year.

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

Sec. 68. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **Achievement and integration aid.** For achievement and integration aid under Minnesota Statutes, section 124D.862:

<u>\$84,057,000</u>	<u>.....</u>	<u>2022</u>
<u>\$83,431,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$7,912,000 for 2021 and \$76,145,000 for 2022.

The 2023 appropriation includes \$8,460,000 for 2022 and \$74,971,000 for 2023.

Subd. 3. **American Indian education aid.** For American Indian education aid under Minnesota Statutes, section 124D.81, subdivision 2a:

<u>\$11,351,000</u>	<u>.....</u>	<u>2022</u>
<u>\$11,775,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$1,087,000 for 2021 and \$10,264,000 for 2022.

The 2023 appropriation includes \$1,140,000 for 2022 and \$10,635,000 for 2023.

Subd. 4. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124E.22:

<u>\$93,547,000</u>	.....	<u>2022</u>
<u>\$99,819,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$8,806,000 for 2021 and \$84,741,000 for 2022.

The 2023 appropriation includes \$9,415,000 for 2022 and \$90,404,000 for 2023.

Subd. 5. **Civic education grants.** (a) For the Minnesota Civic Education Coalition for grants to Youth in Government, the Learning Law and Democracy Foundation, and the YMCA Center for Youth Voice to support civic education programs for youth age 18 and under to provide teacher professional development, educational resources, and program support:

<u>\$75,000</u>	.....	<u>2022</u>
<u>\$75,000</u>	.....	<u>2023</u>

(b) The programs must instruct students in:

(1) the constitutional principles and the democratic foundation of our national, state, and local institutions; and

(2) the political processes and structures of government, grounded in the understanding of constitutional government and individual rights.

(c) Any balance in the first year does not cancel but is available in the second year.

(d) The base for fiscal year 2024 is \$0.

Subd. 6. **College entrance examination reimbursement.** (a) To reimburse districts for the costs of college entrance examination fees of free or reduced-price meal eligible students who take the ACT or SAT test under Minnesota Statutes, section 120B.30, subdivision 1, paragraph (e):

<u>\$1,011,000</u>	.....	<u>2022</u>
<u>\$1,011,000</u>	.....	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 7. **Concurrent enrollment aid.** (a) For concurrent enrollment aid under Minnesota Statutes, section 124D.091:

<u>\$5,000,000</u>	.....	<u>2022</u>
<u>\$5,000,000</u>	.....	<u>2023</u>

(b) If the appropriation is insufficient, the commissioner must proportionately reduce the aid payment to each school district.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 8. **Early childhood literacy programs.** (a) For early childhood literacy programs under Minnesota Statutes, section 119A.50, subdivision 3:

<u>\$7,950,000</u>	<u>.....</u>	<u>2022</u>
<u>\$7,950,000</u>	<u>.....</u>	<u>2023</u>

(b) Up to \$7,950,000 each year is for leveraging federal and private funding to support AmeriCorps members serving in the Minnesota reading corps program established by ServeMinnesota, including costs associated with training and teaching early literacy skills to children ages three through grade 3 and evaluating the impact of the program under Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 9. **Equitable school enhancement grants.** (a) To support schools in their efforts to close opportunity and achievement gaps under Minnesota Statutes, section 120B.113:

<u>\$3,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$3,000,000</u>	<u>.....</u>	<u>2023</u>

(b) The department may use up to five percent of this appropriation to administer the grant program.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 10. **Examination fees; teacher training and support programs.** (a) For students' advanced placement and international baccalaureate examination fees under Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

<u>\$4,500,000</u>	<u>.....</u>	<u>2022</u>
<u>\$4,500,000</u>	<u>.....</u>	<u>2023</u>

(b) The advanced placement program shall receive 75 percent of the appropriation each year and the international baccalaureate program shall receive 25 percent of the appropriation each year. The department, in consultation with representatives of the advanced placement and international baccalaureate programs selected by the Advanced Placement Advisory Council and International Baccalaureate Minnesota, respectively, shall determine the amounts of the expenditures each year for examination fees and training and support programs for each program.

(c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least \$500,000 each year is for teachers to attend subject matter summer training programs and follow-up support workshops approved by the advanced placement or international baccalaureate programs. The amount of the subsidy for each teacher attending an advanced placement or international baccalaureate summer training program or workshop shall be the same. The commissioner shall determine the payment process and the amount of the subsidy.

(d) The commissioner shall pay all examination fees for all students of low-income families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent of available appropriations, shall also pay examination fees for students sitting for an advanced placement examination, international baccalaureate examination, or both.

(e) Any balance in the first year does not cancel but is available in the second year.

Subd. 11. **Expand rigorous coursework for Black students, Indigenous students, students of color, and students in greater Minnesota.** (a) For grants to expand rigorous coursework primarily for but not limited to disadvantaged and underrepresented students and students in greater Minnesota, such as through advanced placement courses, international baccalaureate programs, career and technical education, and concurrent enrollment courses:

<u>\$3,730,000</u>	<u>.....</u>	<u>2022</u>
<u>\$3,730,000</u>	<u>.....</u>	<u>2023</u>

(b) Eligible recipients include school districts, charter schools, intermediate school districts, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

(c) Of this amount, \$1,300,000 each year is for grants to support professional development and incentives for high school teachers to develop and expand course offerings approved by the state. An eligible recipient must offer the professional development or course through a regional partnership or statewide program. Compensation for teachers to teach courses beyond the contract day or year is an allowable expenditure. Funds may supplement, but not replace, current state and federal program funds. Grants are limited to \$50,000 per recipient.

(d) Of this amount, \$2,430,000 each year is for matching grants to support rigorous course expansion and statewide career and technical education program quality improvements. The department must provide technical support and guidance. Funds may supplement, but not replace, current state and federal program funds. Grants are limited to \$100,000 per recipient.

(e) The department must require an applicant for grant funds to submit a plan that describes how the applicant would use grant funds to increase participation by disadvantaged and underrepresented students in rigorous coursework. The department must consider an applicant's goals, strategies, and capacity to increase participation by disadvantaged and underrepresented students when awarding funds.

(f) At least 50 percent of the funds in this subdivision must be appropriated to grant recipients in greater Minnesota.

(g) Up to five percent of this appropriation is available for program and grant administration.

(h) Any balance in the first year does not cancel but is available in the second year.

(i) The base for fiscal year 2024 and later is \$3,530,000.

Subd. 12. **Full-service community schools.** (a) For comprehensive program support for full-service community schools:

<u>\$5,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Of this amount, priority must be given to programs in the following order:

(1) current grant recipients issued under Minnesota Statutes, section 124D.231;

(2) schools identified as low-performing under the federal Every Student Succeeds Act; and

(3) any other applicants.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 13. **Girls in Action grant.** (a) For a grant to the Girls in Action program to enable Girls in Action to continue to provide and expand Twin Cities metropolitan area school and community-based programs that encourage and support low-income girls of color:

<u>\$1,500,000</u>	.....	<u>2022</u>
<u>\$0</u>	.....	<u>2023</u>

(b) Of the appropriated funds, \$1,000,000 must be used to sustain 16 current Girls in Action program sites and expand to reach an additional four sites in inner ring suburban communities with growing ethnic diversity among students.

(c) Of the appropriated funds, \$500,000 must be used to sustain three community-based Girls in Action programs for Asian, East African, and Latina girls in Hennepin, Ramsey, and Dakota Counties, and to expand an additional two community-based programs in these counties to reach Native American and African American girls.

(d) Girls in Action programs supported by these funds must include programs focused on:

(1) increasing academic performance, high school graduation rates, and enrollment in postsecondary education for girls faced with social, demographic, racial, and economic barriers and challenges;

(2) increasing mentoring, literacy, career development, positive community engagement, and number of qualified female employees of color in the workforce pipeline, particularly in the science, technology, engineering, and mathematics fields;

(3) providing coaching, mentoring, health and wellness counseling, resources to girls whose experience with sexual assault has negatively impacted their academics and behavior, and culturally sensitive therapy resources and counseling services to sexual assault victims; and

(4) increasing financial literacy and knowledge of options for financing college or postsecondary education.

(e) This is a onetime appropriation.

(f) Any balance in the first year does not cancel but is available until June 30, 2024.

Subd. 14. **Grants to increase science, technology, engineering, and math course offerings.** (a) For grants to schools to encourage low-income and other underserved students to participate in advanced placement and international baccalaureate programs according to Minnesota Statutes, section 120B.132:

<u>\$250,000</u>	.....	<u>2022</u>
<u>\$250,000</u>	.....	<u>2023</u>

(b) The commissioner must consider grant applications from schools located in greater Minnesota and from schools located in the seven-county metropolitan area.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 15. **Indigenous education for all.** (a) For the implementation of indigenous education for all legislation based on the standards and benchmarks in place with the contributions of Minnesota's Tribal Nations and communities under Minnesota Statutes, section 120B.17:

<u>\$887,000</u>	.....	<u>2022</u>
<u>\$437,000</u>	.....	<u>2023</u>

(b) Of this amount, \$450,000 in 2022 is for onetime competitive grants to provide curricular resources to schools.

(c) Of this amount, \$150,000 annually is for a grant to the Tribal Nations Education Committee.

(d) Of this amount, \$287,000 annually is for department administration and implementation of the standards.

Subd. 16. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

<u>\$12,310,000</u>	.....	<u>2022</u>
<u>\$14,823,000</u>	.....	<u>2023</u>

Subd. 17. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes, section 124D.98:

<u>\$45,075,000</u>	.....	<u>2022</u>
<u>\$45,968,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$4,463,000 for 2021 and \$40,612,000 for 2022.

The 2023 appropriation includes \$4,512,000 for 2022 and \$41,456,000 for 2023.

Subd. 18. **Minnesota Council on Economic Education.** (a) For a grant to the Minnesota Council on Economic Education:

<u>\$250,000</u>	.....	<u>2022</u>
<u>\$250,000</u>	.....	<u>2023</u>

(b) The grant must be used to:

(1) provide professional development to Minnesota's kindergarten through grade 12 teachers implementing state graduation standards in learning areas related to economic education;

(2) support the direct-to-student ancillary economic and personal finance programs that Minnesota teachers supervise and coach; and

(3) provide support to geographically diverse affiliated higher education-based centers for economic education, including those based at Minnesota State University Mankato, Minnesota State University Moorhead, St. Cloud State University, St. Catherine University, and the University of St. Thomas, as their work relates to activities in clauses (1) and (2).

(c) By February 15 of each year following the receipt of a grant, the Minnesota Council on Economic Education must report to the commissioner of education on the number and type of in-person and online teacher professional development opportunities provided by the Minnesota Council on Economic Education or its affiliated state centers

for economic education. The report must include a description of the content, length, and location of the programs; the number of preservice and licensed teachers receiving professional development through each of these opportunities; and a summary of evaluations of teacher professional opportunities.

(d) On August 15, 2021, the Department of Education must pay the full amount of the grant for fiscal year 2022 to the Minnesota Council on Economic Education. On August 15, 2022, the Department of Education must pay the full amount of the grant for fiscal year 2023 to the Minnesota Council on Economic Education. The Minnesota Council on Economic Education must submit its fiscal reporting in the form and manner specified by the commissioner. The commissioner may request additional information as necessary.

(e) Any balance in the first year does not cancel but is available in the second year.

(f) The base for fiscal year 2024 is \$0.

Subd. 19. **Minnesota Independence College and Community.** (a) For transfer to the Office of Higher Education for grants to Minnesota Independence College and Community for tuition reduction and institutional support:

<u>\$625,000</u>	<u>.....</u>	<u>2022</u>
<u>\$625,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 20. **Minnesota math corps program.** (a) For the Minnesota math corps program under Minnesota Statutes, section 124D.42, subdivision 9:

<u>\$2,500,000</u>	<u>.....</u>	<u>2022</u>
<u>\$2,500,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 21. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota College of Education and Human Development for the operation of the Minnesota Principals Academy:

<u>\$200,000</u>	<u>.....</u>	<u>2022</u>
<u>\$200,000</u>	<u>.....</u>	<u>2023</u>

(b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals and school leaders from schools identified for intervention under the state's accountability system as implemented to comply with the federal Every Student Succeeds Act. To the extent funds are available, the Department of Education is encouraged to use up to \$200,000 of federal Title II funds to support additional participation in the Principals Academy by principals and school leaders from schools identified for intervention under the state's accountability system as implemented to comply with the federal Every Student Succeeds Act.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 22. **Minnesota Youth Council.** (a) For grants to the Minnesota Alliance With Youth for the activities of the Minnesota Youth Council:

<u>\$187,000</u>	<u>.....</u>	<u>2022</u>
<u>\$187,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 23. **Multitiered systems of support.** (a) For the Minnesota Department of Education to support schools in reinforcing systemic approaches to meet the needs of individual students and ensure effective implementation of multitiered systems of support in the areas of academics, social and emotional learning, and physical health services:

<u>\$5,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Of this amount, \$3,200,000 is for regional centers of excellence under the Minnesota service cooperatives to fund staff to support the implementation of multitiered systems of support, ensuring research-validated models are supported for prekindergarten through grade 12 in school districts and charter schools.

(c) Of this amount, \$1,800,000 is reserved for grants to school districts and charter schools to partner with community-based organizations and programs.

(d) Grant funds must be used for implementation of evidence-based policies, procedures, and practices within the multitiered systems of support prioritizing before and after school programming for historically underserved students and access to mental health services for students.

(e) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

(f) Up to five percent of this appropriation is available for program and grant administration.

(g) Any balance in the first year does not cancel but is available in the second year.

Subd. 24. **Museums and education centers.** (a) For grants to museums and education centers:

<u>\$610,000</u>	<u>.....</u>	<u>2022</u>
<u>\$610,000</u>	<u>.....</u>	<u>2023</u>

(b) \$269,000 each year is for the Minnesota Children's Museum.

(c) \$50,000 each year is for the Minnesota Children's Museum, Rochester.

(d) \$50,000 each year is for the Duluth Children's Museum.

(e) \$41,000 each year is for the Minnesota Academy of Science.

(f) \$50,000 each year is for the Headwaters Science Center.

(g) \$50,000 each year is for the Children's Museum of Southern Minnesota.

(h) \$50,000 each year is for the Works Museum in Bloomington.

(i) \$50,000 each year is for the Children's Discovery Museum of Grand Rapids.

(j) A recipient of a grant under this subdivision must use the funds to encourage and increase access for historically underserved communities.

(k) Any balance in the first year does not cancel but is available in the second year.

Subd. 25. **P-TECH schools.** (a) For P-TECH support grants under Minnesota Statutes, section 124D.093, subdivision 5:

<u>\$791,000</u>	<u>.....</u>	<u>2022</u>
<u>\$791,000</u>	<u>.....</u>	<u>2023</u>

(b) The amounts in this subdivision are for grants to a public-private partnership that includes Independent School District No. 535, Rochester.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 26. **Recovery program grants.** (a) For recovery program grants under Minnesota Statutes, section 124D.695:

<u>\$750,000</u>	<u>.....</u>	<u>2022</u>
<u>\$750,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 27. **Rural career and technical education consortium.** (a) For rural career and technical education consortium grants:

<u>\$3,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$3,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 28. **Sanneh Foundation.** (a) For grants to the Sanneh Foundation for purposes of subdivision 3:

<u>\$2,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$2,000,000</u>	<u>.....</u>	<u>2023</u>

(b) The grants to the Sanneh Foundation must be directed toward programs for low-performing and chronically absent students with a focus on low-income students and students of color. The goals of the grants include decreasing absenteeism, encouraging school engagement, improving grades, and improving graduation rates. The grants may be used to:

(1) provide all-day, in-school academic and behavioral interventions and social and emotional learning throughout the school year;

(2) provide year-round, out-of-school behavioral, social, and emotional learning interventions and enrichment activities;

(3) enhance career exploration opportunities, including exposure to businesses and business activities; and

(4) develop pathways in cooperation with businesses or higher education partners for participants to pursue careers in education and youth development.

(c) Any balance in the first year does not cancel but is available in the second year.

(d) The base for fiscal year 2024 is \$1,000,000.

Subd. 29. **ServeMinnesota program.** (a) For funding ServeMinnesota programs under Minnesota Statutes, sections 124D.37 to 124D.45:

<u>\$900,000</u>	<u>.....</u>	<u>2022</u>
<u>\$900,000</u>	<u>.....</u>	<u>2023</u>

(b) A grantee organization may provide health and child care coverage to the dependents of each participant enrolled in a full-time ServeMinnesota program to the extent such coverage is not otherwise available.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 30. **Singing-based pilot program to improve student reading.** (a) For a grant to pilot a research-supported, computer-based educational program that uses singing to improve the reading ability of students in grades 2 through 5:

<u>\$75,000</u>	<u>.....</u>	<u>2022</u>
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(b) The commissioner of education shall award a grant to the Rock 'n' Read Project to implement a research-supported, computer-based educational program that uses singing to improve the reading ability of students in grades 2 through 5. The grantee shall be responsible for selecting participating school sites; providing any required hardware and software, including software licenses, for the duration of the grant period; providing technical support, training, and staff to install required project hardware and software; providing on-site professional development and instructional monitoring and support for school staff and students; administering preintervention and postintervention reading assessments; evaluating the impact of the intervention; and other project management services as required. To the extent practicable, the grantee must select participating schools in urban, suburban, and greater Minnesota, and give priority to schools in which a high proportion of students do not read proficiently at grade level and are eligible for free or reduced-price lunch.

(c) By February 15, 2023, the grantee must submit a report detailing expenditures and outcomes of the grant to the commissioner of education and the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education policy and finance.

(d) Any balance in the first year does not cancel but is available in the second year.

(e) This is a onetime appropriation.

Subd. 31. **Starbase MN.** (a) For a grant to Starbase MN for a rigorous science, technology, engineering, and math (STEM) program providing students in grades 4 through 6 with a multisensory learning experience and a hands-on curriculum in an aerospace environment using state-of-the-art technology:

<u>\$500,000</u>	<u>.....</u>	<u>2022</u>
<u>\$500,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 32. **Statewide testing and reporting system.** (a) For the statewide testing and reporting system under Minnesota Statutes, section 120B.30:

<u>\$9,692,000</u>	<u>.....</u>	<u>2022</u>
<u>\$9,692,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

(c) The base in 2024 and 2025 is \$10,892,000 per year.

Subd. 33. Student organizations. (a) For student organizations:

<u>\$768,000</u>	<u>.....</u>	<u>2022</u>
<u>\$768,000</u>	<u>.....</u>	<u>2023</u>

(b) \$46,000 each year is for student organizations serving health occupations (HOSA).(c) \$100,000 each year is for student organizations serving trade and industry occupations (Skills USA, secondary and postsecondary).(d) \$95,000 each year is for student organizations serving business occupations (BPA, secondary and postsecondary).(e) \$193,000 each year is for student organizations serving agriculture occupations (FFA, PAS).(f) \$185,000 each year is for student organizations serving family and consumer science occupations (FCCLA). Notwithstanding Minnesota Rules, part 3505.1000, subparts 28 and 31, the student organizations serving FCCLA shall continue to serve students younger than grade 9.(g) \$109,000 each year is for student organizations serving marketing occupations (DECA and DECA collegiate).(h) \$40,000 each year is for the Minnesota Foundation for Student Organizations.(i) Any balance in the first year does not cancel but is available in the second year.**Subd. 34. Tribal contract school aid.** For Tribal contract school aid under Minnesota Statutes, section 124D.83, and Tribal contract onetime compensatory aid:

<u>\$2,775,000</u>	<u>.....</u>	<u>2022</u>
<u>\$3,138,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$227,000 for 2021 and \$2,548,000 for 2022.The 2023 appropriation includes \$283,000 for 2022 and \$2,855,000 for 2023.**Sec. 69. REVISOR INSTRUCTION.**The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering. The revisor shall also make any technical language and other changes necessitated by the renumbering and cross-reference changes in this act.Column AColumn BGeneral Requirements Statewide Assessments

120B.30, subdivision 1a, paragraph (h)
120B.30, subdivision 1, paragraph (q)
120B.30, subdivision 1a, paragraph (g)
120B.30, subdivision 1b

120B.30, subdivision 1
120B.30, subdivision 2
120B.30, subdivision 3
120B.30, subdivision 4

<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.30, subdivision 5, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (a)</u>	<u>120B.30, subdivision 5, paragraph (b)</u>
<u>120B.30, subdivision 1a, paragraph (e)</u>	<u>120B.30, subdivision 6, paragraph (a)</u>
<u>120B.30, subdivision 2, paragraph (a)</u>	<u>120B.30, subdivision 6, paragraph (b)</u>
<u>120B.30, subdivision 2, paragraph (b), clauses (1) and (2)</u>	<u>120B.30, subdivision 6, paragraph (c)</u>
<u>120B.30, subdivision 2</u>	<u>120B.30, subdivision 6, paragraph (d)</u>
<u>120B.30, subdivision 4</u>	<u>120B.30, subdivision 7</u>
<u>120B.30, subdivision 5</u>	<u>120B.30, subdivision 8</u>
<u>120B.30, subdivision 6</u>	<u>120B.30, subdivision 9</u>
<u>120B.30, subdivision 1, paragraph (e)</u>	<u>120B.30, subdivision 10</u>

General Requirements Test Design

<u>120B.30, subdivision 1a, paragraph (a), clauses (1) to (5)</u>	<u>120B.301, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (a)</u>	<u>120B.301, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (b)</u>	<u>120B.301, subdivision 3, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.301, subdivision 3, paragraph (b)</u>
<u>120B.30, subdivision 1a, paragraph (b)</u>	<u>120B.301, subdivision 3, paragraph (c)</u>
<u>120B.30, subdivision 1a, paragraph (c), clauses (1) and (2)</u>	<u>120B.301, subdivision 3, paragraph (d)</u>

Assessment Graduation Requirements

<u>120B.30, subdivision 1, paragraph (c), clauses (1) and (2)</u>	<u>120B.304, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (d)</u>	<u>120B.304, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (i)</u>	<u>120B.304, subdivision 3</u>

Assessment Reporting Requirements

<u>120B.30, subdivision 1a, paragraph (f), clauses (1) to (3)</u>	<u>120B.305, subdivision 1</u>
<u>120B.30, subdivision 1a, paragraph (d), clauses (1) to (4)</u>	<u>120B.305, subdivision 2, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (m)</u>	<u>120B.305, subdivision 2, paragraph (b)</u>
<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.305, subdivision 2, paragraph (c)</u>
<u>120B.30, subdivision 1, paragraph (o), clauses (1) to (4)</u>	<u>120B.305, subdivision 3, paragraph (a)</u>
<u>120B.30, subdivision 3</u>	<u>120B.305, subdivision 3, paragraph (b)</u>

District Assessment Requirements

<u>120B.301, paragraphs (a) to (c)</u>	<u>120B.306, subdivision 1</u>
<u>120B.304, paragraphs (a) and (b)</u>	<u>120B.306, subdivision 2</u>

College and Career Readiness

<u>120B.30, subdivision 1, paragraph (p)</u>	<u>120B.307, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (d)</u>	<u>120B.307, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (f)</u>	<u>120B.307, subdivision 3</u>
<u>120B.30, subdivision 1, paragraph (g)</u>	<u>120B.307, subdivision 4, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (h)</u>	<u>120B.307, subdivision 4, paragraph (b)</u>
<u>120B.30, subdivision 1, paragraph (j)</u>	<u>120B.307, subdivision 4, paragraph (c)</u>
<u>120B.30, subdivision 1, paragraph (k)</u>	<u>120B.307, subdivision 4, paragraph (d)</u>
<u>120B.30, subdivision 1, paragraph (l)</u>	<u>120B.307, subdivision 4, paragraph (e)</u>

Sec. 70. **REPEALER.**

Minnesota Statutes 2020, section 120B.35, subdivision 5, is repealed.

ARTICLE 3
TEACHERSSection 1. **[120B.117] INCREASING PERCENTAGE OF TEACHERS OF COLOR AND AMERICAN INDIAN TEACHERS IN MINNESOTA.**

Subdivision 1. **Purpose.** This section sets short-term and long-term state goals for increasing the percentage of teachers of color and American Indian teachers in Minnesota and for ensuring all students have equitable access to effective and racially and ethnically diverse teachers who reflect the diversity of students. The goals and report required under this section are also important for meeting state goals for the world's best workforce under section 120B.11, achievement and integration under section 124D.861, and higher education attainment under section 135A.012, all of which have been established to close persistent opportunity and achievement gaps that limit students' success in school and life and impede the state's economic growth.

Subd. 2. **Equitable access to racially and ethnically diverse teachers.** The percentage of teachers who are of color or American Indian in Minnesota should increase at least two percentage points per year to have a teaching workforce that more closely reflects the state's increasingly diverse student population and to ensure all students have equitable access to effective and diverse teachers by 2040.

Subd. 3. **Rights not created.** The attainment goal in this section is not to the exclusion of any other goals and does not confer a right or create a claim for any person.

Subd. 4. **Reporting.** Beginning in 2022 and every even-numbered year thereafter, the Professional Educator Licensing and Standards Board must collaborate with the Department of Education and the Office of Higher Education to publish a summary report of each of the programs they administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.094, 122A.63, 122A.635, 122A.70, 124D.09, 124D.861, 136A.1275, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. The board must, in coordination with the Office of Higher Education and Department of Education, provide policy and funding recommendations related to state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must also include recommendations for state policy and funding needed to achieve the goals of this section, as well as plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The 2022 report must include a recommendation of whether a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the Indian Affairs Council and other ethnic councils along with other community partners, including students of color and American Indian students, in developing the report. By November 1 of each even-numbered year, the board must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance. The report must be available to the public on the board's website.

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

Sec. 2. **[120B.25] CURRICULUM POLICY.**

A school board must adopt a written policy that prohibits discrimination or discipline for a teacher or principal on the basis of incorporating into curriculum contributions by persons in a federally protected class or protected class under section 363A.13, consistent with local collective bargaining agreements.

Sec. 3. **[122A.04] LICENSE REQUIRED.**

Pursuant to section 120A.22, subdivision 10, a teacher must hold a license or a permission aligned to the content area and scope of the teacher's assignment to provide instruction in a public school or a charter school.

Sec. 4. Minnesota Statutes 2020, section 122A.06, subdivision 2, is amended to read:

Subd. 2. **Teacher.** "Teacher" means a classroom teacher or other similar professional employee required by law to hold a license or permission from the Professional Educator Licensing and Standards Board.

Sec. 5. Minnesota Statutes 2020, section 122A.06, subdivision 5, is amended to read:

Subd. 5. **Field.** A "field," "licensure area," or "subject area" means the content area in which a teacher may become licensed to teach.

Sec. 6. Minnesota Statutes 2020, section 122A.06, subdivision 6, is amended to read:

Subd. 6. **Shortage area.** "Shortage area" means:

(1) ~~licensure fields and economic development regions reported by the commissioner of education~~ Office of Higher Education or the Professional Educator Licensing and Standards Board as experiencing a teacher shortage; and

(2) ~~economic development regions where there is a shortage of licensed teachers who reflect the racial or ethnic diversity of students in the region.~~ the aggregate percentage of Indigenous teachers and teachers of color in the region is lower than the aggregate percentage of kindergarten through grade 12 Indigenous students and students of color in that region. Only individuals who close the gap between these percentages qualify as filling a shortage by this definition.

Sec. 7. Minnesota Statutes 2020, section 122A.06, subdivision 7, is amended to read:

Subd. 7. **Teacher preparation program.** "Teacher preparation program" means a program approved by the Professional Educator Licensing and Standards Board for the purpose of preparing individuals for a specific teacher licensure field in Minnesota. ~~Teacher preparation programs include traditional programs delivered by postsecondary institutions, alternative teacher preparation programs, and nonconventional teacher preparation programs.~~

Sec. 8. Minnesota Statutes 2020, section 122A.06, subdivision 8, is amended to read:

Subd. 8. **Teacher preparation program provider.** "Teacher preparation program provider" or "unit" means an entity that has primary responsibility for overseeing and delivering a teacher preparation program. Teacher preparation program providers include postsecondary institutions and alternative teacher preparation providers aligned to section 122A.094.

Sec. 9. Minnesota Statutes 2020, section 122A.06, is amended by adding a subdivision to read:

Subd. 9. **District.** "District" means a public school district or charter school.

Sec. 10. **[122A.094] TEACHER PREPARATION PROVIDERS.**

Subdivision 1. Purpose. Teacher preparation providers must be approved by the Professional Educator Licensing and Standards Board to prepare candidates for teacher licensure in Minnesota. To provide alternative pathways toward Minnesota teacher licensure outside of the traditional means, improve ethnic and cultural diversity in the classroom, and to close the achievement gap, the Professional Educator Licensing and Standards Board must approve qualified teacher preparation providers and programs under this section that are a means to acquire a Tier 2 license under section 122A.182 and prepare for acquiring a Tier 3 license under section 122A.183.

Subd. 2. Eligibility. The following organizations are eligible to seek approval to be a teacher preparation provider:

- (1) Minnesota institutions of higher education;
- (2) school districts;
- (3) charter schools; and
- (4) nonprofit corporations organized under chapter 317A for an education-related purpose.

Subd. 3. Requirements for provider approval. An eligible entity must be approved as a provider before being approved to provide programs toward licensure. The Professional Educator Licensing and Standards Board must approve an eligible entity under subdivision 3 that meets the following requirements:

- (1) has evidence and history of fiscal solvency, capacity, and operation;
- (2) possesses necessary infrastructure to provide accurate, timely, and secure data for the purposes of admission, candidate monitoring, testing, and program completion requirements;
- (3) has policies and procedures in place ensuring the security of candidate records under the federal Family Educational Rights and Privacy Act;
- (4) has developed a research-based, results-oriented curriculum that focuses on the skills teachers need to be effective;
- (5) provides a clinical experience that meets criteria set in rule for initial and additional licensure programs;
- (6) includes a common core of teaching knowledge and skills. The Professional Educator Licensing and Standards Board must adopt and revise rules to maintain a common core of teaching knowledge and skills;
- (7) includes instruction on the knowledge and skills needed to provide appropriate instruction to English learners to support and accelerate their academic literacy, including oral academic language and achievement in content areas in a regular classroom setting; and
- (8) includes culturally competent training on instructional strategies consistent with section 120B.30, subdivision 1, paragraph (q), and Minnesota Rules, part 8710.0310, subpart 1, item D.

Subd. 4. Program approval. The board must adopt and revise rules outlining the criteria by which programs offered by approved providers may be approved. If the board determines that a teacher preparation provider or licensure program fails to meet or is deficient in any of the requirements in rule, it may suspend or revoke the approval of the provider or program after it notifies the provider of the deficiencies and gives the provider an opportunity to remedy the deficiencies.

Subd. 5. **Specialized credentials.** The board may adopt and revise rules creating flexible, specialized teaching licenses, credentials, and other endorsement forms.

Subd. 6. **Teacher educators.** (a) The board must adopt and revise rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary and secondary teaching environments.

(b) The board must adopt and revise rules for the qualifications for teacher educators. The board may use nontraditional criteria to determine qualifications of teacher educators, including permitting instructors to hold a baccalaureate degree only. Nontraditional criteria may include previous work experiences, teaching experiences, educator evaluations, industry-recognized certifications, and other equivalent demonstrations of qualifications.

Subd. 7. **Reading strategies.** (a) A teacher preparation provider approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in its teacher preparation programs research-based best practices in reading, consistent with section 122A.06, subdivision 4, that enable the licensure candidate to teach reading in the candidate's content areas. Teacher candidates must be instructed in using students' native languages as a resource in creating effective differentiated instructional strategies for English learners developing literacy skills. A teacher preparation provider must also prepare early childhood and elementary teacher candidates for Tier 3 and Tier 4 teaching licenses under sections 122A.183 and 122A.184, respectively, for the portion of the examination under section 122A.185, subdivision 1, paragraph (c), covering assessment of reading instruction.

(b) Board-approved teacher preparation programs for teachers of elementary education must require instruction in applying comprehensive, scientifically based or evidence-based, and structured reading instruction programs that:

(1) teach students to read using foundational knowledge, practices, and strategies consistent with section 122A.06, subdivision 4, so that all students achieve continuous progress in reading; and

(2) teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels to become proficient readers.

(c) Board-approved teacher preparation programs for teachers of elementary education, early childhood education, special education, and reading intervention must include instruction on dyslexia, as defined in section 125A.01, subdivision 2. Teacher preparation programs may consult with the Department of Education, including the dyslexia specialist under section 120B.122, to develop instruction under this paragraph. Instruction on dyslexia must be modeled on practice standards of the International Dyslexia Association and must address:

(1) the nature and symptoms of dyslexia;

(2) resources available for students who show characteristics of dyslexia;

(3) evidence-based instructional strategies for students who show characteristics of dyslexia, including the structured literacy approach; and

(4) outcomes of intervention and lack of intervention for students who show characteristics of dyslexia.

(d) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

Subd. 8. **Technology strategies.** All preparation providers approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in their teacher preparation programs the knowledge and skills teacher candidates need to engage students with technology and deliver digital and blended learning and curriculum.

Subd. 9. **Reports.** (a) The Professional Educator Licensing and Standards Board must report annually to the education committees of the legislature on the performance of teacher candidates aligned to section 122A.091, subdivision 1.

(b) The board must also submit a biennial report on the alternative teacher preparation providers to legislative committees with jurisdiction over kindergarten through grade 12 education policy and finance by January 15 of each odd-numbered year.

Sec. 11. Minnesota Statutes 2020, section 122A.15, subdivision 1, is amended to read:

Subdivision 1. **Teachers.** The term "teachers" for the purpose of licensure, means all persons employed in a public school or education district or by a service cooperative as members of the instructional, supervisory, and support staff including superintendents, principals, supervisors, secondary vocational and other classroom teachers, librarians, school counselors, school psychologists, school nurses, school social workers, audio-visual directors and coordinators, recreation personnel, media generalists, media supervisors, and ~~speech therapists~~ school speech-language pathologists. This definition does not apply to sections 122A.05 to 122A.093.

Sec. 12. Minnesota Statutes 2020, section 122A.16, is amended to read:

122A.16 QUALIFIED TEACHER DEFINED.

A qualified teacher is one holding a valid license; or permission under this chapter; to perform the particular service for which the teacher is employed in a public school.

Sec. 13. Minnesota Statutes 2020, section 122A.18, subdivision 7a, is amended to read:

Subd. 7a. **Permission License to substitute teach.** (a) The Professional Educator Licensing and Standards Board must issue licenses to substitute teach to applicants who meet the qualifications prescribed in this subdivision and in Minnesota Rules.

~~(a)~~ (b) The Professional Educator Licensing and Standards Board may allow a person issue a short-call substitute teaching license to an applicant who otherwise qualifies for a Tier 1 license in accordance with section 122A.181, subdivision 2, or is enrolled in and making satisfactory progress in a ~~board-approved~~ state-approved teacher program and who has successfully completed student teaching ~~to be employed as a short-call substitute teacher.~~

~~(b)~~ (c) The Professional Educator Licensing and Standards Board may issue a lifetime qualified short-call or long-call substitute teaching license to a person an applicant who:

(1) was a qualified teacher under section 122A.16 while holding a Tier 3 or Tier 4 teaching license issued by the board, under sections 122A.183 and 122A.184, respectively, and receives a retirement annuity from the Teachers Retirement Association or the St. Paul Teachers Retirement Fund Association;

(2) holds an out-of-state teaching license and receives a retirement annuity as a result of the person's teaching experience; or

(3) held a Tier 3 or Tier 4 teaching license issued by the board, under sections 122A.183 and 122A.184, respectively, taught at least three school years in an accredited nonpublic school in Minnesota, and receives a retirement annuity as a result of the person's teaching experience.

A person holding a lifetime qualified short-call or long-call substitute teaching license is not required to complete continuing education clock hours. A person holding this license may reapply to the board for either:

(i) a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, and must again complete ~~continuing education clock hours~~ renewal requirements pursuant to section 122A.187 one school year after receiving the Tier 3 or Tier 4 teaching license; or

(ii) a Tier 1 license under section 122A.181, provided that the ~~candidate~~ applicant has a bachelor's degree, an associate's degree, or an appropriate professional credential in the content area the ~~candidate~~ applicant will teach, in accordance with section 122A.181, subdivision 2.

Sec. 14. Minnesota Statutes 2020, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks studies.** (a) The Professional Educator Licensing and Standards Board and the Board of School Administrators must ~~obtain~~ initiate a criminal history background ~~check~~ study on all first-time ~~teaching~~ applicants for educator licenses under their jurisdiction. Applicants must include with their licensure applications:

(1) an executed criminal history consent form, including fingerprints; and

(2) payment to conduct the background check. The Professional Educator Licensing and Standards Board must deposit payments received under this subdivision in an account in the special revenue fund. Amounts in the account are annually appropriated to the Professional Educator Licensing and Standards Board to pay for the costs of background checks on applicants for licensure.

(b) The background check for all first-time teaching applicants for licenses must include a review of information from the Bureau of Criminal Apprehension, including criminal history data as defined in section 13.87, and must also include a review of the national criminal records repository. The superintendent of the Bureau of Criminal Apprehension is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

(c) The Professional Educator Licensing and Standards Board ~~must contract with~~ and the Board of School Administrators may initiate criminal background studies through the commissioner of human services to ~~conduct background checks and~~ obtain background check data required under this chapter.

Sec. 15. Minnesota Statutes 2020, section 122A.18, subdivision 10, is amended to read:

Subd. 10. **Licensure via portfolio.** (a) The Professional Educator Licensing and Standards Board must adopt and revise rules establishing a process for an eligible ~~candidate~~ applicant to obtain ~~any teacher~~ an initial Tier 3 license ~~under subdivision 4~~, or to add a licensure field; to a Tier 3 or Tier 4 license via portfolio. The portfolio licensure application process must be consistent with the requirements in this subdivision.

(b) ~~A candidate~~ An applicant for a an initial Tier 3 license via portfolio must submit to the board one portfolio demonstrating pedagogical competence and one portfolio demonstrating content competence.

(c) ~~A candidate~~ An applicant seeking to add a licensure field via portfolio must submit to the board one portfolio demonstrating content competence for each licensure field the candidate seeks to add.

(d) The board must notify ~~a candidate~~ an applicant who submits a portfolio under paragraph (b) or (c) within ~~90~~ 120 calendar days after the portfolio is received whether or not the portfolio is approved. If the portfolio is not approved, the board must ~~immediately~~ inform the ~~candidate~~ applicant how to revise the portfolio to successfully demonstrate the requisite competence. The ~~candidate~~ applicant may resubmit a revised portfolio ~~at any time~~ within two years and the board must approve or disapprove the revised portfolio within ~~60~~ 90 calendar days of receiving it.

(e) ~~A candidate~~ An applicant must pay a fee for a portfolio in accordance with section 122A.21, subdivision 4.

Sec. 16. Minnesota Statutes 2020, section 122A.181, subdivision 1, is amended to read:

Subdivision 1. **Application requirements.** The Professional Educator Licensing and Standards Board must approve ~~a request from a district or charter school to issue a Tier 1 license in a specified content area to a candidate~~ an application for a Tier 1 license in a specified content area if:

(1) the application has been submitted jointly by the applicant and the district;

(2) the application has been paid for by the district or the applicant;

(3) ~~the candidate~~ applicant meets the professional requirement in subdivision 2;

~~(2)~~ (4) the district or charter school affirms that the ~~candidate~~ applicant has the necessary skills and knowledge to teach in the specified content area; ~~and~~

~~(3)~~ (5) the district or charter school demonstrates that: ~~(i)~~ a criminal background check under section 122A.18, subdivision 8, has been completed on the ~~candidate~~ applicant; and

~~(ii)~~ (6) the district or charter school has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position.

Sec. 17. Minnesota Statutes 2020, section 122A.181, subdivision 2, is amended to read:

Subd. 2. **Professional requirements.** ~~(a) A candidate~~ An applicant for a Tier 1 license must have a bachelor's degree to teach a class or course ~~outside a career and technical education or career pathways course of study, unless specifically exempt by state statute or rule.~~

~~(b) A candidate for a Tier 1 license must have one of the following credentials in a relevant content area to teach a class in a career and technical education or career pathways course of study:~~

~~(1) an associate's degree;~~

~~(2) a professional certification; or~~

~~(3) five years of relevant work experience.~~

Sec. 18. Minnesota Statutes 2020, section 122A.181, is amended by adding a subdivision to read:

Subd. 2a. **Exemptions from a bachelor's degree.** (a) The following applicants for a Tier 1 license are exempt from the requirement to hold a bachelor's degree in subdivision 2:

(1) an applicant for a Tier 1 license to teach career and technical education or career pathways courses of study if the applicant has:

(i) an associate's degree;

(ii) a professional certification; or

(iii) five years of relevant work experience;

(2) an applicant for a Tier 1 license to teach world languages and culture pursuant to Minnesota Rules, part 8710.4950, if the applicant is a native speaker of the language;

(3) an applicant for a Tier 1 license in the performing or visual arts pursuant to Minnesota Rules, parts 8710.4300 (dance and theater), 8710.4310 (dance), 8710.4320 (theater), 8710.4650 (vocal music and instrumental music), and 8710.4900 (visual arts), if the applicant has at least five years of relevant work experience; and

(4) an applicant for a Tier 1 license who is enrolled in a state-approved teacher preparation program classified as a residency model aligned to the scope and field of the assignment. The residency program must lead to a bachelor's degree unless the program is aligned to one of the licensure areas outlined in this subdivision.

(b) The Professional Educator Licensing and Standards Board must adopt and revise rules regarding the qualifications and determinations for applicants exempt from paragraph (a).

Sec. 19. Minnesota Statutes 2020, section 122A.181, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** (a) The Professional Educator Licensing and Standards Board must issue an initial Tier 1 license for a term of one year. A Tier 1 license may be renewed subject to paragraphs (b) and (c). ~~The board may submit written comments to the district or charter school that requested the renewal regarding the candidate.~~

(b) The Professional Educator Licensing and Standards Board must renew a Tier 1 license if:

(1) the district or charter school requesting the renewal demonstrates that it has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position;

~~(2) the teacher holding the Tier 1 license took a content examination in accordance with section 122A.185 and submitted the examination results to the teacher's employing district or charter school within one year of the board approving the request for the initial Tier 1 license;~~

~~(3) (2) the teacher holding the Tier 1 license participated in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), within one year of the board approving the request for the initial Tier 1 license; and~~

~~(4) (3) the teacher holding the Tier 1 license met the mental illness training renewal requirement under section 122A.187, subdivision 6; and~~

~~The requirement in clause (2) does not apply to a teacher that teaches a class in a career and technical education or career pathways course of study.~~

(4) the district demonstrates professional development opportunities and other supports provided to move the teacher from a Tier 1 license to a higher tier.

(c) A Tier 1 license must not be renewed more than three times, unless the requesting district or charter school can show good cause for additional renewals. ~~A Tier 1 license issued to teach (1) a class or course in a career and technical education or career pathway course of study or (2) in a shortage area, as defined in section 122A.06, subdivision 6, may be renewed without limitation.~~

Sec. 20. Minnesota Statutes 2020, section 122A.181, subdivision 4, is amended to read:

Subd. 4. **Application.** The Professional Educator Licensing and Standards Board must accept and review applications for a Tier 1 teaching license beginning July 1 of the school year for which the license is requested ~~and must issue or deny the Tier 1 teaching license within 30 days of receiving the completed application, unless permitted by the board to accept and review applications earlier.~~

Sec. 21. Minnesota Statutes 2020, section 122A.181, subdivision 5, is amended to read:

Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and limited to the district or charter school that requested the initial Tier 1 license.

(b) A Tier 1 license does not bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

~~(c) A Tier 1 license does not bring an individual within the definition of a teacher under section 179A.03, subdivision 18.~~

Sec. 22. Minnesota Statutes 2020, section 122A.181, subdivision 6, is amended to read:

Subd. 6. **Mentorship and evaluation.** ~~(a) A teacher holding a Tier 1 license must participate in the employing district or charter school's mentorship program and professional development. A district that hires a Tier 1 teacher must provide mentorship aligned to board-adopted criteria and professional development opportunities to that teacher.~~

(b) A teacher holding a Tier 1 license must participate in an evaluation aligned, to the extent practicable, with the evaluation under section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Sec. 23. Minnesota Statutes 2020, section 122A.182, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** ~~(a) The Professional Educator Licensing and Standards Board must approve a request from a district or charter school to issue an application for a Tier 2 license in a specified content area to a candidate if:~~

~~(1) the candidate meets the educational or professional requirements in paragraph (b) or (c); the application has been submitted jointly by the applicant and the district;~~

~~(2) the candidate:~~

~~(i) has completed the coursework required under subdivision 2;~~

~~(ii) is enrolled in a Minnesota-approved teacher preparation program; or~~

~~(iii) has a master's degree in the specified content area; and~~

~~(3) the district or charter school demonstrates that a criminal background check under section 122A.18, subdivision 8, has been completed on the candidate.~~

~~(b) A candidate for a Tier 2 license must have a bachelor's degree to teach a class outside a career and technical education or career pathways course of study.~~

~~(c) A candidate for a Tier 2 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:~~

- ~~(1) an associate's degree;~~
- ~~(2) a professional certification; or~~
- ~~(3) five years of relevant work experience.~~

(2) the application has been paid for by the district or the applicant;

(3) the applicant holds a bachelor's degree, unless specifically exempt by statute or rule;

(4) the district demonstrates that a criminal background check under section 122A.18, subdivision 8, has been completed for the applicant; and

(5) the applicant:

(i) has a master's degree in the specified content area;

(ii) is enrolled in a state-approved teacher preparation program; or

(iii) for a license to teach career and technical education and career pathways, has completed two years of field-specific teaching experience on a Tier 1 license and completed training in classroom management, cultural competency, and teacher ethics.

Sec. 24. Minnesota Statutes 2020, section 122A.182, subdivision 2, is amended to read:

Subd. 2. **Coursework Exemptions from a bachelor's degree.** ~~(a) A candidate for a Tier 2 license must meet the coursework requirement by demonstrating completion of two of the following:~~

- ~~(1) at least eight upper division or graduate level credits in the relevant content area;~~
- ~~(2) field-specific methods of training, including coursework;~~
- ~~(3) at least two years of teaching experience in a similar content area in any state, as determined by the board;~~
- ~~(4) a passing score on the pedagogy and content exams under section 122A.185; or~~
- ~~(5) completion of a state-approved teacher preparation program.~~

~~(b) For purposes of paragraph (a), "upper division" means classes normally taken at the junior or senior level of college which require substantial knowledge and skill in the field. Candidates must identify the upper division credits that fulfill the requirement in paragraph (a), clause (1).~~

(a) The following applicants for a Tier 2 license are exempt from the requirement to hold a bachelor's degree in subdivision 1:

(1) an applicant for a Tier 2 license to teach career and technical education or career pathways courses of study when the applicant has:

- (i) an associate's degree;

(ii) a professional certification; or

(iii) five years of relevant work experience;

(2) an applicant for a Tier 2 license to teach world languages and culture pursuant to Minnesota Rules, part 8710.4950, when the applicant is a native speaker of the language.

(3) an applicant for a Tier 2 license in the performing or visual arts pursuant to Minnesota Rules, parts 8710.4300 (dance and theater), 8710.4310 (dance), 8710.4320 (theater), 8710.4650 (vocal music and instrumental music), and 8710.4900 (visual arts), when the applicant has at least five years of relevant work experience.

(b) The Professional Educator Licensing and Standards Board must adopt and revise rules regarding the qualifications and determinations for applicants exempt from the requirement to hold a bachelor's degree in subdivision 1.

Sec. 25. Minnesota Statutes 2020, section 122A.182, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** (a) The Professional Educator Licensing and Standards Board must issue an initial Tier 2 license for a term of two years. A Tier 2 license may be renewed ~~three~~ two times. The board must adopt rules establishing good cause justifications for additional renewals after the initial license has been renewed two times.

(b) A teacher holding a Tier 2 license in career and technical education or career pathways course of study may receive unlimited renewals.

(c) Before a Tier 2 license is renewed ~~for the first time~~, a teacher holding a Tier 2 license must participate in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), ~~and~~ mental illness training under section 122A.187, subdivision 6. ~~The board must issue rules setting forth the conditions for additional renewals after the initial license has been renewed three times; and the district demonstrates professional development opportunities and other supports provided to move the teacher to a higher tier.~~

Sec. 26. Minnesota Statutes 2020, section 122A.182, subdivision 4, is amended to read:

Subd. 4. **Application.** The Professional Educator Licensing and Standards Board must accept and review applications for a Tier 2 teaching license beginning July 1 of the school year for which the license is requested and must issue or deny the Tier 2 teaching license within 30 days of receiving the completed application, unless permitted by the board to accept and review applications earlier.

Sec. 27. Minnesota Statutes 2020, section 122A.182, subdivision 7, is amended to read:

Subd. 7. **Mentorship and evaluation.** (a) ~~A teacher holding a Tier 2 license must participate in the employing district or charter school's mentorship and evaluation program, including an individual growth and development plan that includes cultural competency under section 120B.30, subdivision 1, paragraph (q).~~ A district that hires a teacher holding a Tier 2 license must provide mentorship aligned to board-adopted criteria to that teacher and professional development opportunities.

(b) A teacher holding a Tier 2 license must participate in an evaluation aligned, to the extent practicable, with the evaluation under section 122A.40, subdivision 8, or section 122A.41, subdivision 5.

Sec. 28. Minnesota Statutes 2020, section 122A.183, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must issue a Tier 3 license to ~~a candidate~~ an applicant who provides information sufficient to demonstrate all of the following:

~~(1) the candidate meets the educational or professional requirements in paragraphs (b) and (c);~~

~~(2) the candidate has obtained a passing score on the required licensure exams under section 122A.185; and~~

(1) the applicant for a Tier 3 license must have a bachelor's degree to teach a class or course, unless specifically exempt by state statute or rule; and

~~(3) (2) the candidate~~ applicant has completed the coursework required under subdivision 2.

~~(b) A candidate for a Tier 3 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study.~~

~~(c) A candidate for a Tier 3 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:~~

~~(1) an associate's degree;~~

~~(2) a professional certification; or~~

~~(3) five years of relevant work experience.~~

~~In consultation with the governor's Workforce Development Board established under section 116L.665, the board must establish a list of qualifying certifications, and may add additional professional certifications in consultation with school administrators, teachers, and other stakeholders.~~

Sec. 29. Minnesota Statutes 2020, section 122A.183, subdivision 2, is amended to read:

Subd. 2. **Coursework.** ~~A candidate~~ An applicant for a Tier 3 license must meet the coursework requirement by demonstrating one of the following:

(1) completion of a Minnesota-approved teacher preparation program;

(2) completion of a ~~state-approved~~ teacher preparation program approved by another state, territory, or country, including culturally specific Minority Serving Institutions in the United States, such as Historically Black Colleges and Universities, Tribal Colleges, or Hispanic-Serving Institutions including those in Puerto Rico, that includes field-specific student teaching equivalent to field-specific student teaching in Minnesota-approved teacher preparation programs. The field-specific student teaching requirement does not apply to ~~a candidate~~ an applicant that has two years of field-specific teaching experience;

(3) submission of a content-specific licensure portfolio;

(4) a professional teaching license from another state, evidence that the ~~candidate's~~ applicant's license is in good standing, and two years of field-specific teaching experience; or

(5) the applicant fills a shortage area under section 122A.06, subdivision 6, clause (2), and has three years of teaching experience under a Tier 2 license and evidence of summative teacher evaluations that did not result in placing or otherwise keeping the teacher on an improvement process pursuant to section 122A.40, subdivision 8, or section 122A.41, subdivision 5.

Sec. 30. Minnesota Statutes 2020, section 122A.183, is amended by adding a subdivision to read:

Subd. 2a. **Exemptions from a bachelor's degree.** (a) The following applicants for a Tier 3 license are exempt from the requirement to hold a bachelor's degree in subdivision 1:

(1) an applicant for a Tier 3 license to teach career and technical education or career pathways courses of study when the applicant has:

(i) an associate's degree;

(ii) a professional certification; or

(iii) five years of relevant work experience;

(2) an applicant for a Tier 3 license to teach world languages and culture pursuant to Minnesota Rules, part 8710.4950, if the applicant is a native speaker of the language; and

(3) an applicant for a Tier 3 license in the performing or visual arts pursuant to Minnesota Rules, parts 8710.4300 (dance and theater), 8710.4310 (dance), 8710.4320 (theater), 8710.4650 (vocal music and instrumental music), and 8710.4900 (visual arts), if the applicant has at least five years of relevant work experience.

(b) The Professional Educator Licensing and Standards Board must adopt and revise rules regarding the qualifications and determinations for applicants exempt from subdivision 1.

Sec. 31. Minnesota Statutes 2020, section 122A.183, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 3 license for a term of three years. Before a Tier 3 license is renewed for the first time, the applicant must meet initial teacher renewal requirements in section 122A.187. A Tier 3 license may be renewed every three years without limitation.

Sec. 32. Minnesota Statutes 2020, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to ~~a candidate~~ an applicant who provides information sufficient to demonstrate all of the following:

(1) the ~~candidate~~ applicant meets all requirements for a Tier 3 license under section 122A.183, and has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2);

(2) the ~~candidate~~ applicant has at least three years of field-specific teaching experience ~~in Minnesota~~ as a teacher of record;

(3) the ~~candidate~~ applicant has obtained a passing score on all required licensure exams under section 122A.185; and

(4) ~~the candidate's most recent summative teacher evaluation did not result in placing or otherwise keeping the teacher in an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5~~ if the applicant previously held a Tier 3 license under section 122A.183, the applicant has completed the initial teacher renewal requirements in section 122A.187.

Sec. 33. Minnesota Statutes 2020, section 122A.184, subdivision 2, is amended to read:

Subd. 2. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 4 license for a term of five years. A Tier 4 license may be renewed every five years without limitation if the applicant meets the continuing teacher renewal requirements in section 122A.187.

Sec. 34. Minnesota Statutes 2020, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** ~~(a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. Candidates may obtain a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the other requirements in section 122A.181, 122A.182, or 122A.183, respectively.~~

~~(b)~~ (a) The board must adopt and revise rules requiring candidates applicants for Tier 3 and Tier 4 licenses to pass an examination or performance assessment of general pedagogical knowledge and examinations of licensure field specific content, including an examination taken in another state, if the applicant has not completed a board-approved preparation program assuring candidates from the program recommended for licensure meet content and pedagogy licensure standards in Minnesota. The content examination requirement does not apply if no relevant content exam exists. Applicants who have satisfactorily completed a preparation program in another state and passed licensure examinations in that state are not additionally required to pass similar examinations required in Minnesota.

~~(c)~~ (b) Applicants for initial ~~Tier 3 and~~ Tier 4 licenses to teach elementary students must pass test items assessing the ~~candidates'~~ applicants' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under section 122A.06, subdivision 4.

~~(d) The requirement to pass a board adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.~~

(c) All testing centers in the state must provide regular opportunities for extended time content and pedagogy examinations. These opportunities must be advertised on the test registration website. The board must require the exam vendor to provide other equitable opportunities to pass exams, including providing financial assistance for test takers who qualify for federal grants; providing free, multiple, full-length practice tests for each exam and free, comprehensive study guides on the test registration website; making content and pedagogy exams available in languages other than English for teachers seeking licensure to teach in language immersion programs; and providing a free, detailed exam results analysis by test objective to assist candidates who do not pass an exam in identifying areas for improvement. Any candidate who has not passed a required exam after two attempts must be allowed to retake the exam, including new versions of the exam, without being charged an additional fee.

Sec. 35. Minnesota Statutes 2020, section 122A.185, subdivision 4, is amended to read:

Subd. 4. **Remedial assistance.** (a) A board-approved teacher preparation program must make available upon request remedial assistance that includes a formal diagnostic component to persons enrolled in their ~~institution~~ teacher preparation program who did not achieve a qualifying score on a board-adopted ~~skills~~ examination,

including those for whom English is a second language. The teacher preparation programs must make available assistance in the specific academic areas of candidates' deficiency. Teacher preparation providers must report annually on supports provided, number of candidates supported, and demographic data of those candidates.

(b) School districts may make available upon request similar, appropriate, and timely remedial assistance that includes a formal diagnostic component to those persons employed by the district who completed their teacher education program, who did not achieve a qualifying score on a board-adopted skills examination, and who received a Tier 1, Tier 2, or Tier 3 license under section 122A.181, 122A.182, or 122A.183, respectively, to teach in Minnesota.

Sec. 36. Minnesota Statutes 2020, section 122A.187, is amended to read:

122A.187 EXPIRATION AND RENEWAL.

Subdivision 1. **License form requirements.** Each license issued under this chapter must bear the date of issue and the name of the state-approved teacher training provider or alternative teaching program, as applicable. Licenses must expire and be renewed according to rules adopted by the Professional Educator Licensing and Standards Board or the Board of School Administrators. ~~The rules adopted by the Professional Educator Licensing and Standards Board for renewing a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, must include showing satisfactory evidence of successful teaching or administrative experience for at least one school year during the period covered by the license in grades or subjects for which the license is valid or completing such additional preparation as required under this section, or as the Professional Educator Licensing and Standards Board prescribes.~~ The Board of School Administrators shall establish requirements for renewing the licenses of supervisory personnel except athletic coaches. The Professional Educator Licensing and Standards Board shall establish requirements for renewing the licenses of athletic coaches.

Subd. 2. **Local committees.** The Professional Educator Licensing and Standards Board must receive recommendations from local committees as established by the board for the renewal of teaching licenses.

Subd. 3. **Professional growth.** (a) Applicants for license renewal for a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, who have been employed as a teacher during the renewal period of the expiring license, as a condition of license renewal, must present to their local continuing education and relicensure committee or other local relicensure committee evidence of work that demonstrates professional reflection and growth in best teaching practices, ~~including among other things, cultural competence in accordance with section 120B.30, subdivision 1, paragraph (q), and practices in meeting the varied needs of English learners, from young children to adults under section 124D.59, subdivisions 2 and 2a. A teacher may satisfy the requirements of this paragraph by submitting the teacher's most recent summative evaluation or improvement plan under section 122A.40, subdivision 8, or 122A.41, subdivision 5.~~

(b) The Professional Educator Licensing and Standards Board must ensure that its teacher relicensing requirements include paragraph (a).

(c) The board may adopt and revise rule setting criteria for initial Tier 3 license renewal requirements that must be completed before a teacher may move to a Tier 4 license.

Subd. 4. **Behavior interventions.** The Professional Educator Licensing and Standards Board must adopt and revise rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

Subd. 5. **Reading preparation.** The Professional Educator Licensing and Standards Board must adopt and revise rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. ~~The rules do not take effect until they are approved by law.~~ Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

Subd. 6. **Mental illness health.** The Professional Educator Licensing and Standards Board must adopt and revise rules that require all licensed teachers renewing a teaching license under sections 122A.181 to 122A.184 to include in the renewal requirements at least one hour of suicide prevention best practices training in each licensure renewal period based on nationally recognized evidence-based programs and practices, among the continuing education credits required to renew a license under this subdivision. Initial training must include understanding the key warning signs of early-onset mental illness in children and adolescents, and during subsequent licensure renewal periods, training must include a more in-depth understanding of students' mental illness trauma, accommodations for students' mental illness, parents' roles in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.

Subd. 7. **Cultural competency.** The Professional Educator Licensing and Standards Board must adopt and revise rules that require all licensed teachers renewing a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, to include cultural competency training.

Subd. 8. **Meeting needs of multilingual learners.** The Professional Educator Licensing and Standards Board must adopt and revise rules requiring all licensed teachers renewing a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, to include a training on meeting the varied needs of multilingual learners from young children to adults under section 124D.59, subdivisions 2 and 2a.

Subd. 9. **Mandatory renewal requirements.** The board must adopt and revise rules setting forth standards that meet all mandatory renewal requirements. All trainings meeting the renewal requirements for subdivisions 4 to 8 must align to board-adopted criteria. Any training provided outside of a district, charter school, cooperative unit, or state agency must be approved by the board to be accepted to meet this renewal requirement.

Sec. 37. Minnesota Statutes 2020, section 122A.19, subdivision 4, is amended to read:

Subd. 4. **Teacher preparation programs.** (a) For the purpose of licensing bilingual and English as a second language teachers, the board may approve teacher preparation programs ~~at colleges or universities~~ designed for their training.

(b) Programs that prepare English as a second language teachers must provide instruction in implementing research-based practices designed specifically for English learners. The programs must focus on developing English learners' academic language proficiency in English, including oral academic language, giving English learners meaningful access to the full school curriculum, developing culturally relevant teaching practices appropriate for immigrant students, and providing more intensive instruction and resources to English learners with lower levels of academic English proficiency and varied needs, consistent with section 124D.59, subdivisions 2 and 2a.

Sec. 38. Minnesota Statutes 2020, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A person who teaches in a community education program ~~which that~~ qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program ~~which that~~ is offered through a community education program and ~~which that~~ qualifies for community education aid pursuant to section 124D.20 or early childhood and family

education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course ~~which that~~ is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher.

(b) A person who teaches a driver training course ~~which that~~ is offered through a community education program to persons under 18 years of age shall be licensed by the Professional Educator Licensing and Standards Board or be subject to section 171.35. A license which is required for an instructor in a community education program pursuant to this ~~subdivision paragraph~~ shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, ~~clause paragraph~~ (a).

Sec. 39. Minnesota Statutes 2020, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(e) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(f) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a one-year probationary period in a Minnesota school district.

(g) A board may renew a probationary teacher while placing teachers with continuing contract on unrequested leave of absence pursuant to a plan adopted under subdivisions 10 and 10a.

EFFECTIVE DATE. Paragraph (f) is effective for collective bargaining agreements effective July 1, 2021, and thereafter. Paragraph (g) is effective the day following final enactment.

Sec. 40. Minnesota Statutes 2020, section 122A.40, subdivision 8, is amended to read:

Subd. 8. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices, improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 5;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;

(3) ~~must be based on professional teaching standards established in rule~~ create, adopt, or revise a rubric of performance standards for teacher practice that (i) is based on professional teaching standards established in rule, (ii) includes culturally responsive methodologies, and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of content areas of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 41. Minnesota Statutes 2020, section 122A.40, subdivision 10, is amended to read:

Subd. 10. **Negotiated unrequested leave of absence.** (a) The school board and the exclusive bargaining representative of the teachers must negotiate a plan providing for unrequested leave of absence without pay or fringe benefits for as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts.

(b) A plan may include a process to exempt up to five percent of the teachers in the district from unrequested leave of absence or nonrenewal regardless of a teacher's probationary status or seniority if the plan meets the requirements of subdivision 10a, and if the board and the exclusive representative of the teachers agree in writing to the process by October 1 of each school year.

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

Sec. 42. Minnesota Statutes 2020, section 122A.40, is amended by adding a subdivision to read:

Subd. 10a. **Unrequested leave of absence exemption process.** (a) A plan to exempt up to five percent of the teachers in the district from unrequested leave of absence or nonrenewal must establish a committee to select teachers to receive the exemption. The committee must have an equal number of representatives selected by the superintendent and the exclusive representative, and must have at least three representatives appointed by the superintendent and three representatives appointed by the exclusive representative. School districts and exclusive representatives are strongly encouraged to include members of underrepresented communities as their committee representatives. The committee must complete comprehensive anti-racism training by a training provider approved by the Professional Educator Licensing and Standards Board before beginning the selection process.

(b) A teacher selected for exemption from unrequested leave of absence or nonrenewal must have demonstrated excellent teaching or professional performance, as determined by colleagues, mentors, and administrators. In addition, the teacher must be a member of a protected class that:

(1) is underrepresented among either (i) teachers in the district relative to the percentage of students in the protected class enrolled in the district, or (ii) licensed teachers in Minnesota; and

(2) has experienced systemic barriers to entering and remaining in the teaching profession, as determined by the committee.

(c) The district and exclusive representative may negotiate additional criteria for the committee to consider, including licensure tier. The committee may annually determine by majority vote the percentage of teachers eligible for the exemption, not to exceed five percent of teachers in the district.

(d) The committee must make final decisions and notify affected teachers no later than February 1 of each school year. The exemption is valid for the school year in which the exemption is granted unless the committee renews the exemption in a subsequent year. The committee may, by majority vote, grant a teacher a two-year exemption from nonrenewal.

(e) If the committee is unable to reach a consensus regarding its selections, the committee must vote on each candidate for the exemption. The candidates receiving the most votes must be granted the exemption until the number of teachers receiving the exemption reaches the lower of five percent of the teachers in the district or the percentage determined by majority vote of the committee.

(f) Data on individual teachers collected, created, received, maintained, or disseminated by the committee are private personnel data pursuant to section 13.43.

(g) A dispute over violations of procedures under this section is subject to the grievance procedure in the applicable collective bargaining agreement.

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

Sec. 43. Minnesota Statutes 2020, section 122A.41, subdivision 2, is amended to read:

Subd. 2. **Probationary period; discharge or demotion.** (a) All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board, after consulting with the peer review committee charged with evaluating the probationary teachers under subdivision 3, shall see fit. The school site management team or the school board if there is no school site management team, shall adopt a plan for a written evaluation of teachers during the probationary period according to subdivisions 3 and 5. Evaluation by the peer review committee charged with evaluating probationary teachers under subdivision 3 shall occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school shall not be included in determining the number of school days on which a teacher performs services. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

(b) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(c) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(d) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(e) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a one-year probationary period in a Minnesota school district.

(f) A board may renew a probationary teacher while placing teachers with continuing contract on unrequested leave of absence pursuant to a plan adopted under subdivisions 14a and 14b.

EFFECTIVE DATE. Paragraph (e) is effective for collective bargaining agreements effective July 1, 2021, and thereafter. Paragraph (f) is effective the day following final enactment.

Sec. 44. Minnesota Statutes 2020, section 122A.41, subdivision 5, is amended to read:

Subd. 5. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

- (1) must, for probationary teachers, provide for all evaluations required under subdivision 2;
- (2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;
- (3) ~~must be based on professional teaching standards established in rule~~ create, adopt, or revise a rubric of performance standards for teacher practice that (i) is based on professional teaching standards established in rule, (ii) includes culturally responsive methodologies, and (iii) provides common descriptions of effectiveness using at least three levels of performance;
- (4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;
- (5) may provide time during the school day and school year for peer coaching and teacher collaboration;
- (6) may include job-embedded learning opportunities such as professional learning communities;
- (7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;
- (8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;
- (9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;
- (10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;
- (11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;
- (12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and
- (13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 45. Minnesota Statutes 2020, section 122A.41, subdivision 14a, is amended to read:

Subd. 14a. **Negotiated unrequested leave of absence.** (a) The school board and the exclusive bargaining representative of the teachers must negotiate a plan providing for unrequested leave of absence without pay or fringe benefits for as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts.

(b) A plan may include a process to exempt up to five percent of the teachers in the district from unrequested leave of absence or nonrenewal regardless of a teacher's probationary status or seniority if the plan meets the requirements of subdivision 10a, and if the board and the exclusive representative of the teachers agree in writing to the process by October 1 of each school year.

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

Sec. 46. Minnesota Statutes 2020, section 122A.41, is amended by adding a subdivision to read:

Subd. 14b. **Unrequested leave of absence exemption process.** (a) A plan to exempt up to five percent of the teachers in the district from unrequested leave of absence or nonrenewal must establish a committee to select teachers to receive the exemption. The committee must have an equal number of representatives selected by the superintendent and the exclusive representative, and must have at least three representatives appointed by the superintendent and three representatives appointed by the exclusive representative. School districts and exclusive representatives are strongly encouraged to include members of underrepresented communities as their committee representatives. The committee must complete comprehensive anti-racism training by a training provider approved by the Professional Educator Licensing and Standards Board before beginning the selection process.

(b) A teacher selected for exemption from unrequested leave of absence or nonrenewal must have demonstrated excellent teaching or professional performance, as determined by colleagues, mentors, and administrators. In addition, the teacher must be a member of a protected class that:

(1) is underrepresented among either (i) teachers in the district relative to the percentage of students in the protected class enrolled in the district, or (ii) licensed teachers in Minnesota; and

(2) has experienced systemic barriers to entering and remaining in the teaching profession, as determined by the committee.

(c) The district and exclusive representative may negotiate additional criteria for the committee to consider, including licensure tier. The committee may annually determine by majority vote the percentage of teachers eligible for the exemption, not to exceed five percent of teachers in the district.

(d) The committee must make final decisions and notify affected teachers no later than February 1 of each school year. The exemption is valid for the school year in which the exemption is granted unless the committee renews the exemption in a subsequent year. The committee may, by majority vote, grant a teacher a two-year exemption from nonrenewal.

(e) If the committee is unable to reach a consensus regarding its selections, the committee must vote on each candidate for the exemption. The candidates receiving the most votes must be granted the exemption until the number of teachers receiving the exemption reaches the lower of five percent of the teachers in the district or the percentage determined by majority vote of the committee.

(f) Data on individual teachers collected, created, received, maintained, or disseminated by the committee are private personnel data pursuant to section 13.43.

(g) A dispute over violations of procedures under this section is subject to the grievance procedure in the applicable collective bargaining agreement.

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

Sec. 47. **[122A.59] COME TEACH IN MINNESOTA HIRING BONUSES.**

Subdivision 1. **Purpose.** This section establishes a program to support districts and schools recruiting and offering hiring bonuses for licensed teachers who are American Indian or a person of color from another state or country in order to meet staffing needs in shortage areas in economic development regions in Minnesota.

Subd. 2. **Eligibility.** A district or school must verify that the hiring bonus is given to teachers licensed in another state who:

(1) qualify for a Tier 3 or Tier 4 Minnesota license;

(2) have moved to the economic development region in Minnesota where they were hired; and

(3) belong to a racial or ethnic group that is underrepresented among teachers compared to students in the district or school under section 120B.35, subdivision 3, paragraph (b), clause (2).

Subd. 3. **Bonus amount.** A district or school may offer a signing and retention bonus of a minimum of \$2,500 and a maximum of \$5,000 to a teacher who meets the eligibility requirements. A teacher who meets the eligibility requirements and meets a licensure shortage area in the economic development region of the state where the school

is located may be offered a signing bonus of a minimum of \$4,000 and a maximum of \$8,000. A teacher must be paid half of the bonus when starting employment and half after completing four years of service in the hiring district or school if the teacher has demonstrated teaching effectiveness and is not on a professional improvement plan under section 122A.40, subdivision 8, paragraph (b), clause (12) or (13), or section 122A.41, subdivision 5, paragraph (b), clause (12) or (13), or is not being considered for termination under section 122A.40, subdivision 9. A teacher who does not complete their first school year upon receiving a hiring bonus must repay the hiring bonus.

Subd. 4. **Administration.** The commissioner must establish a process for districts or schools to seek reimbursement for hiring bonuses given to teachers in shortage areas moving to and working in Minnesota schools experiencing specific shortages. The commissioner must provide guidance for districts to seek repayment of a hiring bonus from a teacher who does not complete the first year of employment. The department may conduct a pilot program with a small number of teachers during the 2022-2023 biennium to establish feasibility. The department must submit a report by December 1, 2022, to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education detailing the effectiveness of the program and recommendations for improvement in future years.

Subd. 5. **Account established.** A Come Teach in Minnesota Hiring Bonus program account is created in the special revenue fund for depositing money appropriated to or received by the department for this program. Money deposited in the account is appropriated to the commissioner, does not cancel, and is continuously available for reimbursements to districts under this section.

EFFECTIVE DATE. This section applies to teacher contracts entered into on or after July 1, 2021.

Sec. 48. Minnesota Statutes 2020, section 122A.63, subdivision 6, is amended to read:

Subd. 6. ~~Eligibility for scholarships~~ **Eligible students.** (a) ~~The following American Indian people are eligible for scholarships~~ An eligible student is a person who:

(1) ~~a student having~~ has origins in any of the original peoples of North America and ~~maintaining~~ maintains cultural identification through tribal affiliation or community recognition; and

(2) is:

(i) a student, including a teacher aide employed by a district receiving a joint grant or their contracted partner school, who intends to become a teacher or ~~who~~ is interested in the field of education, and ~~who is~~ enrolled in a postsecondary institution ~~or their contracted partner institutions receiving a joint grant;~~

~~(3)~~ (ii) a licensed employee of a district receiving a joint grant or a contracted partner institution, who is enrolled in a master of education program; ~~and~~ or

(4) (iii) a student who, after applying for federal and state financial aid and an American Indian scholarship according to section 136A.126, has financial needs that remain unmet. Financial need must be determined according to the congressional methodology for needs determination or as otherwise set in federal law.

(b) Priority must be given first to ~~a student~~ eligible students who ~~is~~ are tribally enrolled in a federally or state recognized Tribe and then to first- and second-generation descendants.

Sec. 49. Minnesota Statutes 2020, section 122A.63, subdivision 9, is amended to read:

Subd. 9. **Eligible programming.** (a) The grantee institutions ~~and their contracted partner institutions~~ may provide scholarships to eligible students progressing toward educational goals in any area of teacher licensure, including an associate's, bachelor's, master's, or doctoral degree in the following:

- (1) any educational certification necessary for employment;
- (2) early childhood family education or prekindergarten licensure;
- (3) elementary and secondary education;
- (4) school administration; or
- (5) any educational program that provides services to American Indian students in prekindergarten through grade 12.

(b) Scholarships may be used to cover an eligible student's cost of attendance under section 136A.126, subdivision 3.

~~(b)~~ (c) For purposes of recruitment, the grantees or their contracted partner institutions must agree to work with their respective organizations to hire an American Indian work-study student or other American Indian staff to conduct initial information queries and to contact persons working in schools to provide programming regarding education professions to high school students who may be interested in education as a profession.

~~(c)~~ (d) At least 80 percent of the grants awarded under this section must be used for student scholarships. No more than 20 percent of the grants awarded under this section may be used for recruitment or administration of the student scholarships.

Sec. 50. Minnesota Statutes 2020, section 122A.635, subdivision 3, is amended to read:

Subd. 3. **Grant program administration.** The Professional Educator Licensing and Standards Board may enter into an interagency agreement with the Office of Higher Education. The agreement may include a transfer of funds to the Office of Higher Education to help establish and administer the competitive grant process. The board must award grants to institutions located in various economic development regions throughout the state, but must not predetermine the number of institutions to be awarded grants under this section or set a limit for the amount that any one institution may receive as part of the competitive grant application process. All grants must be awarded by August 15 of the fiscal year in which the grants are to be used ~~except that, for initial competitive grants awarded for fiscal year 2020, grants must be awarded by September 15.~~ Grants awarded after fiscal year 2021 must be awarded for a two-year grant period. An institution that receives a grant under this section may use the grant funds over a two- to four-year period to support teacher candidates.

Sec. 51. Minnesota Statutes 2020, section 122A.635, subdivision 4, is amended to read:

Subd. 4. **Report.** (a) By ~~January 15~~ June 30 of each year, an institution awarded a grant under this section must prepare for the legislature and the board a detailed report regarding the expenditure of grant funds, including the amounts used to recruit, retain, and induct teacher candidates of color or who are American Indian. The report must include the total number of teacher candidates of color, disaggregated by race or ethnic group, who are recruited to the institution, are newly admitted to the licensure program, are enrolled in the licensure program, have completed student teaching, have graduated, are licensed, and are newly employed as Minnesota teachers in their licensure field. A grant recipient must report the total number of teacher candidates of color or who are American Indian at each stage from recruitment to licensed teaching as a percentage of total candidates seeking the same licensure at the institution.

(b) By September 1 of each year, the board must post a report on its website summarizing the activities and outcomes of grant recipients and results that promote sharing of effective practices among grant recipients.

Sec. 52. Minnesota Statutes 2020, section 122A.70, is amended to read:

122A.70 TEACHER MENTORSHIP AND RETENTION OF EFFECTIVE TEACHERS.

Subdivision 1. **Teacher mentoring, induction, and retention programs.** (a) School districts are encouraged to develop teacher mentoring programs for teachers new to the profession or district, including teaching residents, teachers of color, teachers who are American Indian, teachers in license shortage areas, teachers with special needs, or experienced teachers in need of peer coaching.

(b) Teacher mentoring programs must be included in or aligned with districts' teacher evaluation and peer review processes under sections 122A.40, subdivision 8, and 122A.41, subdivision 5. A district may use staff development revenue under section 122A.61, special grant programs established by the legislature, or another funding source to pay a stipend to a mentor who may be a current or former teacher who has taught at least three years and is not on an improvement plan. Other initiatives using such funds or funds available under sections 124D.861 and 124D.862 may include:

(1) additional stipends as incentives to mentors of color or who are American Indian;

(2) financial supports for professional learning community affinity groups across schools within and between districts for teachers from underrepresented racial and ethnic groups to come together throughout the school year. For purposes of this section, "affinity groups" are groups of educators who share a common racial or ethnic identity in society as persons of color or who are American Indian;

(3) programs for induction aligned with the district or school mentorship program during the first three years of teaching, especially for teachers from underrepresented racial and ethnic groups; or

(4) grants supporting licensed and nonlicensed educator participation in professional development, such as workshops and graduate courses, related to increasing student achievement for students of color and American Indian students in order to close opportunity and achievement gaps.

(c) A school or district that receives a grant must negotiate additional retention strategies or protection from unrequested leave of absences in the beginning years of employment for teachers of color and teachers who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.

Subd. 2. **Applications.** The Professional Educator Licensing and Standards Board must make application forms available to sites interested in developing or expanding a mentorship program. A school district, ~~a or~~ a group of school districts, ~~a coalition of districts, teachers, and teacher education institutions, or,~~ a school or coalition of schools, or a coalition of teachers, or nonlicensed educators may apply for a program grant. A higher education institution or nonprofit organization may partner with a grant applicant but is not eligible as a sole applicant for grant funds. The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Subd. 3. **Criteria for selection.** (a) At a minimum, applicants must express commitment to:

(1) allow staff participation;

(2) assess skills of both beginning and mentor teachers;

- (3) provide appropriate in-service to needs identified in the assessment;
- (4) provide leadership to the effort;
- (5) cooperate with higher education institutions or teacher educators;
- (6) provide facilities and other resources;
- (7) share findings, materials, and techniques with other school districts; and
- (8) retain teachers of color and teachers who are American Indian.

(b) Priority for awarding grants must be for efforts to induct, mentor, and retain Tier 2 or Tier 3 teachers who are of color or American Indian and Tier 2 or Tier 3 teachers in licensure shortage areas.

Subd. 4. **Additional funding.** Applicants are required to seek additional funding and assistance from sources such as school districts, postsecondary institutions, foundations, and the private sector.

Subd. 5. **Program implementation.** Grants may be awarded for implementing activities over a period of time up to 24 months. New and expanding mentorship sites that are funded to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation. The Professional Educator Licensing and Standards Board must provide resources and assistance to support new sites in their program efforts. These activities and services may include, but are not limited to: planning, planning guides, media, training, conferences, institutes, and regional and statewide networking meetings. Nonfunded schools or districts interested in getting started may participate. Fees may be charged for meals, materials, and the like.

Subd. 5a. **Grant program administration.** The Professional Educator Licensing and Standards Board may enter into an interagency agreement with the Office of Higher Education or the Department of Education. The agreement may include a transfer of funds to the Office of Higher Education or the Department of Education to help administer the competitive grant process.

Subd. 6. **Report.** By ~~June~~ September 30 of each year after receiving a grant, recipients must submit a report to the Professional Educator Licensing and Standards Board on program efforts that describes mentoring and induction activities and assesses the impact of these programs on teacher effectiveness and retention.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 53. Minnesota Statutes 2020, section 122A.76, is amended to read:

122A.76 STATEWIDE CONCURRENT ENROLLMENT TEACHER TRAINING PROGRAM PARTNERSHIP.

Subdivision 1. **Definition.** (a) For purposes of this section, the following terms have the meanings given them.

(b) ~~"Northwest Regional Partnership"~~ "Concurrent Enrollment Teacher Partnership" means a voluntary association of the Lakes Country Service Cooperative, the Northwest Service Cooperative, ~~and the Metropolitan Education Cooperative Service Unit,~~ Minnesota State University-Moorhead, ~~and other interested Minnesota State Colleges and Universities~~ that ~~works~~ work together to provide coordinated higher learning opportunities for teachers.

(c) ~~"State Partnership" means a voluntary association of the Northwest Regional Partnership and the Metropolitan Educational Cooperative Service Unit.~~

~~(d)~~ "Eligible postsecondary institution" means a public or private postsecondary institution that awards graduate credits.

~~(e)~~ ~~(d)~~ "Eligible teacher" means a licensed teacher of ~~secondary school~~ courses for postsecondary credit.

Subd. 1a. **Fiscal host.** Lakes Country Service Cooperative is the fiscal host for the Concurrent Enrollment Teacher Partnership.

Subd. 2. **Establishment.** ~~(a) Lakes Country Service Cooperative, in consultation with the Northwest Service Cooperative, The Concurrent Enrollment Teacher Partnership~~ may develop a continuing education program to allow eligible teachers to attain the requisite graduate credits necessary to be qualified to teach secondary school courses for postsecondary credit.

~~(b) If established, the State Partnership~~ The Concurrent Enrollment Teacher Partnership must contract with one or more eligible postsecondary institutions to establish a ~~continuing education credit~~ program to allow eligible teachers to attain sufficient graduate credits to qualify to teach ~~secondary school~~ courses for postsecondary credit. Members of the ~~State Concurrent Enrollment Teacher Partnership~~ must work to eliminate duplication of service and develop the ~~continuing education credit~~ program efficiently and cost-effectively.

Subd. 3. **Curriculum development.** The ~~continuing education~~ program must use flexible delivery models, such as an online education curriculum, that allow eligible secondary school teachers to attain graduate credit at a reduced credit rate. Information about the curriculum, including course length and course requirements, must be posted on the website of the eligible institution offering the course at least two weeks before eligible teachers are required to register for courses ~~in the continuing education program.~~

Subd. 4. **Funding for course participation; course development; scholarships; stipends participation incentives.** ~~(a) Lakes Country Service Cooperative, in consultation with the other members of the Northwest Regional Concurrent Enrollment Teacher Partnership, shall:~~ must

~~(1) provide funding for course development~~ eligible teachers to participate in the program for up to 18 credits in applicable postsecondary subject areas;

~~(2) provide scholarships for eligible teachers to enroll in the continuing education program; and~~

~~(3) develop criteria for awarding educator stipends on a per credit basis to incentivize participation in the continuing education program.~~

~~(b) If established, the State Partnership must:~~

~~(1) provide funding for course development for up to 18 credits in applicable postsecondary subject areas;~~

~~(2) provide scholarships for eligible teachers to enroll in the continuing education program; and~~

~~(3) develop criteria for awarding educator stipends on a per credit basis to incentivize participation in the continuing education program.~~

(b) The Concurrent Enrollment Teacher Partnership may:

(1) provide funding for course development in applicable postsecondary subject areas;

(2) work with school districts to develop incentives for teachers to participate in the program; and

(3) enroll college faculty, as space permits, and provide financial assistance if state aid remains available.

Subd. 5. **Private funding.** The partnerships may receive private resources to supplement the available public money. ~~All money received in fiscal year 2017 shall be administered by the Lakes Country Service Cooperative. All money received in fiscal year 2018 and later shall be administered by the State Partnership.~~

Subd. 6. **Report required.** ~~(a) The Northwest Regional Partnership must submit a report by January 15, 2018, on the progress of its activities to the legislature, commissioner of education, and Board of Trustees of the Minnesota State Colleges and Universities. The report shall contain a financial report for the preceding year.~~

~~(b) If established, the State~~ The Concurrent Enrollment Teacher Partnership must submit an annual joint report to the legislature and the Office of Higher Education by January 15 of each year on the progress of its activities. The report must include the number of teachers participating in the program, the geographic location of the teachers, the number of credits earned, and the subject areas of the courses in which participants earned credit. The report must include a financial report for the preceding year.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 54. Minnesota Statutes 2020, section 123B.147, subdivision 3, is amended to read:

Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the district and according to the policies, rules, and regulations of the school board, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

(b) To enhance a principal's culturally responsive leadership skills and support and improve teaching practices, school performance, and student achievement for diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, a district must develop and implement a performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness. The annual evaluation must:

(1) support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development;

(2) support and improve a principal's culturally responsive leadership practices that create inclusive and respectful teaching and learning environments for all students, families, and employees;

~~(2)~~ (3) include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

~~(3)~~ (4) be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, and high-quality instruction;

~~(4)~~ (5) include on-the-job observations and previous evaluations;

~~(5)~~ (6) allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;

~~(6)~~ (7) use longitudinal data on student academic growth as 35 percent of the evaluation and incorporate district achievement goals and targets;

~~(7)~~ (8) be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, culturally responsive leadership practices, and a collaborative professional culture; and

~~(8)~~ (9) for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.

The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 55. Minnesota Statutes 2020, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

(a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. Before a school district evaluation team makes a determination of other health disability under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation team must seek written documentation of the student's medically diagnosed chronic or acute health condition signed by a licensed physician or a licensed health care provider acting within the scope of the provider's practice. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior needs for children. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded. If the individualized education program meets the plan components in section 120B.125, the individualized education program satisfies the requirement and no additional transition plan is needed;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(c) For all paraprofessionals employed to work in programs whose role in part is to provide direct support to students with disabilities, the school board in each district shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must develop sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs, especially disability-specific and behavioral needs, of the students with whom the paraprofessional works;

(2) before beginning work alone with an individual student with a disability, the assigned paraprofessional must be either given paid time, or time during the school day, to review a student's individualized education program or be briefed on the student's specific needs by appropriate staff, and in the case of a student transferring into the school during the school year, the assigned paraprofessional must be given up to five days after the student's transfer to review the student's individualized education program;

~~(3)~~ (3) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; ~~and~~

(4) a minimum of 16 hours of paid orientation or professional development must be provided annually to all paraprofessionals, Title I aides, and other instructional support staff. Eight of the 16 hours must be completed before the first instructional day of the school year or within 30 days of hire. The orientation or professional development must be relevant to the employee's occupation and may include collaboration time with classroom teachers and planning for the school year. For paraprofessionals who provide direct support to students, at least 50 percent of the professional development or orientation must be dedicated to meeting the requirements of this section. Professional development for paraprofessionals may also address the requirements of section 120B.363, subdivision 3. A school administrator must keep a record of, and provide to each paraprofessional, an annual certification of compliance with this requirement; and

~~(5)~~ (5) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

(d) A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

Sec. 56. **[125A.755] PARAPROFESSIONAL TRAINING AID.**

Beginning in fiscal year 2022, each school district, charter school, and cooperative organization serving pupils is eligible for paraprofessional training aid. Professional training aid equals \$196 times the number of paraprofessionals, Title I aides, and other instructional support staff employed by the school district, charter school, or cooperative organization during the previous school year. A school district must reserve paraprofessional training aid and spend it only on the training required in section 125A.08.

EFFECTIVE DATE. This section is effective for fiscal year 2022 and later.

Sec. 57. Minnesota Statutes 2020, section 179A.03, subdivision 19, is amended to read:

Subd. 19. **Terms and conditions of employment.** "Terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage of retired employees or severance pay, class sizes in Minnesota school districts and charter schools, student testing, student-to-personnel ratios in Minnesota school districts, and the employer's personnel policies affecting the working conditions of the employees. In the case of professional employees the term does not mean educational policies of a school district. "Terms and conditions of employment" is subject to section 179A.07.

Sec. 58. **GRANTS FOR GROW YOUR OWN PROGRAMS.**

Subdivision 1. **Establishment.** The commissioner of education must award grants for the three types of Grow Your Own programs established under this section in order to develop a teaching workforce that more closely reflects the state's increasingly diverse student population and ensure all students have equitable access to effective and diverse teachers.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible district" means a school district, charter school, or cooperative unit under section 123A.24, subdivision 2.

(c) "Grow Your Own program" means a program established by an eligible district in partnership with a Professional Educator Licensing and Standards Board-approved teacher preparation program provider or by a Head Start program under section 119A.50 to provide a pathway for candidates to enter the teaching profession and teach at any level from early childhood to secondary school.

(d) "Residency program" means a Professional Educator Licensing and Standards Board-approved teacher preparation program established by an eligible district and a board-approved teacher preparation program provider that uses a cohort-based model and includes a yearlong clinical experience integrating coursework and student teaching.

(e) "Resident" means a teacher candidate participating in a residency program.

Subd. 3. **Grants for residency programs.** (a) An eligible district may apply for grants to develop, maintain, or expand effective residency programs. A residency program must pair a resident with a teacher of record who must hold a Tier 3 or Tier 4 license. The residency program must provide the teacher of record with ongoing professional development in co-teaching, mentoring, and coaching skills and must ensure that the resident and teacher of record co-teach and participate in required teacher professional development activities for at least 80 percent of the contracted week for a full academic year.

(b) A grant recipient must use at least 80 percent of grant funds to provide tuition scholarships or stipends to enable employees or community members seeking a teaching license, who are of color or American Indian, to participate in a residency program. A grant recipient may request permission from the commissioner to use the remaining grant funds to provide tuition scholarships to employees who are not persons of color or American Indian and who seek to teach in a licensure area in which the eligible district has a shortage of Tier 3 or Tier 4 licensed teachers.

(c) An eligible district using grant funds under this subdivision to provide financial support to teacher candidates may require a commitment from a candidate to teach in the eligible district for a reasonable amount of time not to exceed five years.

Subd. 4. Grants for programs serving adults. (a) An eligible district or Head Start program under section 119A.50 may apply for grants to provide financial assistance, mentoring, and other experiences to support persons of color or American Indian persons to become licensed teachers or preschool teachers.

(b) An eligible district or Head Start program must use grant funds awarded under this subdivision for:

(1) tuition scholarships or stipends to eligible Tier 2 licensed teachers, education assistants, cultural liaisons, or other nonlicensed employees who are of color or American Indian and are enrolled in undergraduate or graduate-level coursework that is part of a board-approved teacher preparation program leading to a Tier 3 teacher license;

(2) developing and implementing pathway programs with local community-based organizations led by and for communities of color or American Indian communities that provide stipends or tuition scholarships to parents and community members who are of color or American Indian to change careers and obtain a Tier 3 license or other credential needed to teach in a Head Start program; or

(3) collaborating with a board-approved teacher preparation program provided by a postsecondary institution to develop and implement innovative teacher preparation programs that lead to Tier 2 or Tier 3 licensure, involve more intensive and extensive clinical experiences with more professional coaching or mentorship than are typically required in traditional college or university campus-based teacher preparation programs, provide candidates with support that is responsive to the unique needs of candidates who are of color or American Indian, and have more than half of their candidates identify as persons of color or American Indian.

(c) An eligible district or Head Start program providing financial assistance to individuals under this subdivision may require a commitment from candidates to teach in the eligible school or Head Start program for a reasonable amount of time not to exceed five years.

Subd. 5. Grants for programs serving secondary school students. (a) In addition to grants for developing and offering dual-credit postsecondary course options in schools for "Introduction to Teaching" or "Introduction to Education" courses under section 124D.09, subdivision 10, a school district or charter school may apply for grants under this section to offer other innovative programs that encourage secondary school students, especially students of color and American Indian students, to pursue teaching. To be eligible for a grant under this subdivision, a school district or charter school must ensure that the aggregate percentage of secondary school students of color and American Indian students participating in the program is equal to or greater than the aggregate percentage of students of color and American Indian students in the school district or charter school.

(b) A grant recipient must use grant funds awarded under this subdivision for:

(1) supporting future teacher clubs or service-learning opportunities that provide middle and high school students who are of color or American Indian with experiential learning that supports the success of younger students or peers and increases students' interest in pursuing a teaching career;

(2) providing direct support, including wrap-around services, for students who are of color or American Indian to enroll and be successful in postsecondary enrollment options courses under section 124D.09 that would meet degree requirements for teacher licensure; or

(3) offering scholarships to graduating high school students who are of color or American Indian to enroll in board-approved undergraduate teacher preparation programs at a college or university in Minnesota.

Subd. 6. Grant procedure. (a) An eligible district or Head Start program must apply for a grant under this section in the form and manner specified by the commissioner. The commissioner must give priority to eligible districts or Head Start programs with the highest total number or percentage of students who are of color or American Indian.

(b) For the 2022-2023 school year and later, grant applications for new and existing programs must be received by the commissioner no later than January 15 of the year prior to the school year in which the grant will be used. The commissioner must review all applications and notify grant recipients by March 15 or as soon as practicable of the anticipated amount awarded. If the commissioner determines that sufficient funding is unavailable for the grants, the commissioner must notify grant applicants by June 30 or as soon as practicable that there are insufficient funds.

(c) For the 2021-2022 school year, the commissioner must set a timetable for awarding grants as soon as practicable.

Subd. 7. Account established. A Grow Your Own program account is created in the special revenue fund for depositing money appropriated to or received by the department for Grow Your Own programs. Money deposited in the account is appropriated to the commissioner, does not cancel, and is continuously available for grants under this section. Grant recipients may apply to use grant money over a period of up to 60 months.

Subd. 8. Report. Grant recipients must annually report to the commissioner in the form and manner determined by the commissioner on their activities under this section, including the number of participants, the percentage of participants who are of color or American Indian, and an assessment of program effectiveness, including participant feedback, areas for improvement, the percentage of participants continuing to pursue teacher licensure, and where applicable, the number of participants hired in the school or district as teachers after completing preparation programs. The commissioner must publish a report for the public that summarizes the activities and outcomes of grant recipients and what was done to promote sharing of effective practices among grant recipients and potential grant applicants.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 59. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

Subdivision 1. Department of Education. The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. Concurrent enrollment teacher partnership. (a) To the Lakes Country Service Cooperative for the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76:

<u>\$1,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$1,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 3. **Grow Your Own.** (a) For grants to develop, continue, or expand Grow Your Own new teacher programs:

<u>\$9,285,000</u>	<u>.....</u>	<u>2022</u>
<u>\$9,285,000</u>	<u>.....</u>	<u>2023</u>

(b) Of this amount in each fiscal year, at least \$3,000,000 is for teacher residency programs.

(c) The department may retain up to \$100,000 of the appropriation amount to monitor and administer the grant program.

(d) Any balance in the first year does not cancel but is available in the second year.

Subd. 4. **Equity, diversity, and inclusion anti-bias professional development.** (a) For grants to districts and charter schools to implement professional development for staff focused on anti-bias instructional practices:

<u>\$4,000,000</u>	<u>.....</u>	<u>2022</u>
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(b) The department must develop tools and programs on anti-bias instructional practices.

(c) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in section 123A.24, subdivision 2.

(d) The department may retain up to five percent of the appropriation to administer the program and grants.

(e) This is a onetime appropriation.

(f) Any balance in the first year does not cancel but is available in the second year.

Subd. 5. **Nonexclusionary discipline.** (a) For grants to school districts and charter schools to provide training for school staff on nonexclusionary disciplinary practices:

<u>\$5,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Up to \$475,000 is to develop training and to work with schools to train staff on nonexclusionary disciplinary practices that maintain the respect, trust, and attention of students and help keep students in classrooms. These funds may also be used for grant administration.

(c) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in section 123A.24, subdivision 2.

(d) Any balance in the first year does not cancel but is available in the second year.

Subd. 6. **Expanded concurrent enrollment grants.** (a) For grants to institutions offering "Introduction to Teaching" or "Introduction to Education" college in the schools courses under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

<u>\$500,000</u>	<u>.....</u>	<u>2022</u>
<u>\$500,000</u>	<u>.....</u>	<u>2023</u>

(b) The department may retain up to five percent of the appropriation amount to monitor and administer the grant program.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 7. Alternative teacher compensation aid. (a) For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

<u>\$88,896,000</u>	<u>.....</u>	<u>2022</u>
<u>\$88,898,000</u>	<u>.....</u>	<u>2023</u>

(b) The 2022 appropriation includes \$8,877,000 for 2021 and \$80,019,000 for 2022.

(c) The 2023 appropriation includes \$8,891,000 for 2022 and \$80,007,000 for 2023.

Subd. 8. Agricultural educator grants. (a) For agricultural educator grants under Laws 2017, First Special Session chapter 5, article 2, section 51:

<u>\$250,000</u>	<u>.....</u>	<u>2022</u>
<u>\$250,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 9. American Indian teacher preparation grants. (a) For joint grants to assist people who are American Indian to become teachers under Minnesota Statutes, section 122A.63:

<u>\$600,000</u>	<u>.....</u>	<u>2022</u>
<u>\$600,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

Subd. 10. Come Teach in Minnesota hiring bonuses. (a) For the Come Teach in Minnesota hiring bonuses pilot program under Minnesota Statutes, section 122A.59:

<u>\$350,000</u>	<u>.....</u>	<u>2022</u>
<u>\$350,000</u>	<u>.....</u>	<u>2023</u>

(b) The department may use up to \$35,000 of the appropriation amount to develop and administer the program under this subdivision.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 11. Minnesota Science Teachers Association. (a) For a grant to the Minnesota Science Teachers Association to provide professional development for up to 1,150 teachers to implement the 2019 revised science standards:

<u>\$611,000</u>	<u>.....</u>	<u>2022</u>
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(b) Grant funds must be used for current high school teachers to prepare to take the content test for additional licensure in earth science, and to provide pedagogical and content professional development to 6th grade and high school teachers to be effective teachers of earth and space science. Professional development must be offered at multiple locations across the state, including outside the seven-county metropolitan area, and online.

(c) This appropriation is available until June 30, 2023.

(d) The department may use up to five percent of this appropriation for administrative costs.

Subd. 12. Paraprofessional training. For costs associated with paid orientation and professional development for paraprofessionals under Minnesota Statutes, section 125A.08:

<u>\$6,300,000</u>	.....	<u>2022</u>
<u>\$7,000,000</u>	.....	<u>2023</u>

(b) The 2022 appropriation includes \$0 for 2021 and \$6,300,000 for 2022.

(c) The 2023 appropriation includes \$700,000 for 2022 and \$6,300,000 for 2023.

Subd. 13. Tribal relations training. (a) For grants to school districts and charter schools to provide Tribal relations training to school leaders:

<u>\$250,000</u>	.....	<u>2022</u>
<u>\$250,000</u>	.....	<u>2023</u>

(b) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in section 123A.24, subdivision 2.

(c) Up to five percent of this amount is available to the department for grant and program administration costs.

(d) Any balance in the first year does not cancel but is available in the second year.

Sec. 60. APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.

Subdivision 1. Professional Educator Licensing and Standards Board. The sums indicated in this section are appropriated from the general fund to the Professional Educator Licensing and Standards Board for the fiscal years designated.

Subd. 2. Collaborative urban and greater Minnesota educators of color grants. (a) For collaborative urban and greater Minnesota educators of color competitive grants under Minnesota Statutes, section 122A.635:

<u>\$1,500,000</u>	.....	<u>2022</u>
<u>\$1,500,000</u>	.....	<u>2023</u>

(b) Any balance does not cancel but is available in the following fiscal year.

(c) The board may retain up to three percent of the appropriation amount to monitor and administer the grant program.

Subd. 3. Mentoring, induction, and retention incentive program grants for teachers of color. (a) For the development and expansion of mentoring, induction, and retention programs designed for teachers of color or American Indian teachers under Minnesota Statutes, section 122A.70:

<u>\$3,000,000</u>	.....	<u>2022</u>
<u>\$3,000,000</u>	.....	<u>2023</u>

(b) Any balance does not cancel but is available in the following fiscal year.

(c) The base appropriation for grants under Minnesota Statutes, section 122A.70, for fiscal year 2024 and later is \$4,500,000, of which at least \$3,500,000 each fiscal year must be granted for the development and expansion of mentoring, induction, and retention programs designed for teachers of color or American Indian teachers.

(d) The board may retain up to three percent of the appropriation amount to monitor and administer the grant program.

Subd. 4. Reports on increasing percentage of teachers of color and American Indian teachers. For a report on the efforts and impact of all state-funded programs to increase the percentage of teachers of color and American Indian teachers in Minnesota schools developed in consultation with the Department of Education, Office of Higher Education, grant recipients, and stakeholders:

<u>\$15,000</u>	<u>.....</u>	<u>2022</u>
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The base appropriation for fiscal year 2024 and each even-numbered later fiscal year is \$15,000.

Subd. 5. Teacher recruitment marketing campaign. (a) To develop two contracts to develop and implement an outreach and marketing campaign under this subdivision:

<u>\$500,000</u>	<u>.....</u>	<u>2022</u>
<u>\$500,000</u>	<u>.....</u>	<u>2023</u>

(b) The Professional Educator Licensing and Standards Board must issue a request for proposals to develop and implement an outreach and marketing campaign to elevate the profession and recruit teachers, especially teachers of color and American Indian teachers. Outreach efforts should include and support current and former Teacher of the Year finalists interested in being recruitment fellows to encourage prospective educators throughout the state.

(c) The outreach and marketing campaign must focus on making the following individuals become interested in teaching in Minnesota public schools:

(1) high school and college students of color or American Indian students who have not chosen a career path; or

(2) adults from racial or ethnic groups underrepresented in the teacher workforce who may be seeking to change careers.

(d) The board must award two \$250,000 grants each year to firms or organizations that demonstrate capacity to reach wide and varied audiences of prospective teachers based on a work plan with quarterly deliverables. Preferences should be given to firms or organizations that are led by people of color and that have people of color working on the campaign with a proven record of success. The grant recipients must recognize current pathways or programs to become a teacher and must partner with educators, schools, institutions, and racially diverse communities. The grant recipients are encouraged to provide in-kind contributions or seek funds from nonstate sources to supplement the grant award.

(e) The board may use no more than three percent of the appropriation amount to administer the program under this subdivision, and may have an interagency agreement with the Department of Education including transfer of funds to help administer the program.

(f) Any balance in the first year does not cancel but is available in the second year.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 61. **REPEALER.**

Minnesota Statutes 2020, sections 122A.091, subdivisions 3 and 6; 122A.092; 122A.18, subdivision 7c; 122A.184, subdivision 3; 122A.23, subdivision 3; and 122A.2451, are repealed.

ARTICLE 4
CHARTER SCHOOLS

Section 1. Minnesota Statutes 2020, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

(a) For purposes of this chapter, the terms defined in this section have the meanings given them.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.

(d) "Charter management organization" means any nonprofit entity that contracts with a charter school board of directors to provide, manage, or oversee all or substantially all of a charter school's educational design or implementation or a charter school's administrative, financial, business, or operational functions.

~~(d)~~ (e) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

(f) "Education management organization" means any for-profit entity that provides, manages, or oversees all or substantially all of the educational design or implementation for a charter school or a charter school's administrative, financial, business, or operational functions.

~~(e)~~ (g) "Immediate family" means an individual whose relationship by blood, marriage, adoption, or partnership is no more remote than first cousin.

(h) "Online education service provider" means an organization that provides an online learning management system, virtual learning environment, or online student management system for a charter school and services for the implementation and operation of an online education program for the charter school.

~~(f)~~ (i) "Person" means an individual or entity of any kind.

~~(g)~~ (j) "Related party" means an affiliate or immediate relative of the other interested party, an affiliate of an immediate relative who is the other interested party, or an immediate relative of an affiliate who is the other interested party.

~~(h)~~ (k) For purposes of this chapter, the terms defined in section 120A.05 have the same meanings.

Sec. 2. Minnesota Statutes 2020, section 124E.03, subdivision 2, is amended to read:

Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A charter school must comply with the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(d) A charter school is a district for the purposes of tort liability under chapter 466.

(e) A charter school must comply with the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(f) A charter school and charter school board of directors must comply with chapter 181 governing requirements for employment.

(g) A charter school must comply with continuing truant notification under section 260A.03.

(h) A charter school must develop and implement a teacher evaluation and peer review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d). The teacher evaluation process in this paragraph does not create any additional employment rights for teachers.

(i) A charter school must adopt a policy, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce.

(j) A charter school is subject to and must comply with section 121A.575 and the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56.

(k) A charter school is subject to and must comply with the uniform municipal contracting law according to section 471.345 in the same manner as school districts.

Sec. 3. Minnesota Statutes 2020, section 124E.03, is amended by adding a subdivision to read:

Subd. 8. **English learners.** A charter school is subject to and must comply with the Education for English Learners Act, sections 124D.58 to 124D.64, as though it were a district.

Sec. 4. Minnesota Statutes 2020, section 124E.03, is amended by adding a subdivision to read:

Subd. 9. **Corporal punishment.** A charter school is subject to and must comply with section 121A.58 as though it were a district.

Sec. 5. Minnesota Statutes 2020, section 124E.05, subdivision 4, is amended to read:

Subd. 4. **Application content.** (a) To be approved as an authorizer, an applicant must include in its application to the commissioner at least the following:

(1) how the organization carries out its mission by chartering schools;

(2) a description of the capacity of the organization to serve as an authorizer, including the positions allocated to authorizing duties, the qualifications for those positions, the full-time equivalencies of those positions, and the financial resources available to fund the positions;

(3) the application and review process the authorizer uses to decide whether to grant charters;

(4) the type of contract it arranges with the schools it charters to meet the provisions of section 124E.10;

(5) the process for overseeing the school, consistent with clause (4), to ensure that the schools chartered comply with applicable law and rules and the contract;

(6) the criteria and process the authorizer uses to approve applications adding grades or sites under section 124E.06, subdivision 5;

(7) the process for renewing or terminating the school's charter based on evidence showing the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and

(8) an assurance specifying that the organization is committed to serving as an authorizer ~~for the full five-year term until the commissioner terminates the organization's ability to authorize charter schools under subdivision 6 or the organization formally withdraws as an approved authorizer under subdivision 7.~~

(b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a conflict of interest between an authorizer and its charter schools or ongoing evaluation or continuing education of an administrator or other professional support staff by submitting to the commissioner a written promise to comply with the requirements.

Sec. 6. Minnesota Statutes 2020, section 124E.05, subdivision 6, is amended to read:

Subd. 6. **Corrective action.** (a) If, consistent with this chapter, the commissioner finds that an authorizer has not met the requirements of this chapter, the commissioner may subject the authorizer to a corrective action plan, which may include terminating the contract with the charter school board of directors of a school it chartered. last no longer than 130 business days. The commissioner may prohibit an authorizer on a corrective plan from accepting a transfer application from a charter school and an application to establish a charter school.

(b) The commissioner must notify the authorizer in writing of that the authorizer has been placed on a corrective plan. The notice must include any findings that may subject the authorizer to corrective action at the conclusion of the corrective plan and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action. The commissioner must hold an informal hearing within 15 business days of the request. If the issues identified as the basis for the corrective action are not resolved at the informal hearing, the authorizer must make the requested improvements and notify the commissioner of the improvements within 45 business days. Within 20 business days, the commissioner must review the changes and notify the authorizer of any remaining issues to be resolved. An authorizer must address the remaining issues as directed by the commissioner within 20 business days. Within 15 business days, the commissioner must review the changes and notify the authorizer whether all issues in the corrective plan have been resolved.

(c) If the commissioner terminates a contract between an authorizer and a charter school under this paragraph the authorizer's ability to charter a school, the commissioner may must assist the affected charter school in acquiring a new authorizer. A charter school board of directors may submit to the commissioner a request to transfer to a new authorizer without the approval or consent of the current authorizer if that authorizer has been under a corrective action plan for more than 130 business days.

~~(b)~~ (d) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school, terminating a contract with a charter school, and other appropriate sanctions for:

(1) failing to demonstrate the criteria under subdivision 3 under which the commissioner approved the authorizer;

(2) violating a term of the chartering contract between the authorizer and the charter school board of directors;

(3) unsatisfactory performance as an approved authorizer; ~~or~~

(4) any good cause shown that gives the commissioner a legally sufficient reason to take corrective action against an authorizer; or

(5) failing to meet the terms of a corrective action plan by the specified deadline.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 7. Minnesota Statutes 2020, section 124E.05, subdivision 7, is amended to read:

Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under section ~~124E.10, subdivision 4~~ 124E.07, subdivision 6, the authorizer must notify all its chartered schools and the commissioner in writing by March 1 of its intent to withdraw as an authorizer on June 30 in the next calendar year, ~~regardless of when the authorizer's five-year term of approval ends.~~ Upon notification of the schools and commissioner, the authorizer must provide a letter to the school for distribution to families of students enrolled in the school that explains the decision to withdraw as an authorizer. The commissioner may approve the transfer of a charter school to a new authorizer under section 124E.10, subdivision 5.

Sec. 8. Minnesota Statutes 2020, section 124E.06, subdivision 1, is amended to read:

Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an application from a charter school developer, may charter either a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under subdivision 4.

(b) "Application" under this section means the charter school business plan a charter school developer submits to an authorizer for approval to establish a charter school. This application must include:

(1) the school developer's:

(i) mission statement;

(ii) school purposes;

(iii) program design;

(iv) financial plan;

(v) market need and demand study;

~~(vi)~~ (vi) governance and management structure; and

~~(vii)~~ (vii) background and experience;

(2) any other information the authorizer requests; and

(3) a "statement of assurances" of legal compliance prescribed by the commissioner.

(c) "Market need and demand study" means a study that includes the following for any proposed location of a new school, grade or site expansion, or preschool program:

(1) current and projected demographic information;

(2) student enrollment patterns;

(3) information on existing schools and types of educational programs currently available;

(4) characteristics of proposed students and families;

(5) availability of properly zoned and classified facilities; and

(6) quantification of existing demand for the new school, grade or site expansion, or preschool program.

~~(e)~~ ~~(d)~~ An authorizer shall not approve an application submitted by a charter school developer under paragraph (a) if the application does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

Sec. 9. Minnesota Statutes 2020, section 124E.06, subdivision 4, is amended to read:

Subd. 4. **Authorizer's affidavit; approval process.** (a) Before an operator may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of the year the new charter school plans to serve students. The affidavit must state:

(1) the terms and conditions under which the authorizer would charter a school, including market research that addresses the need, demand, and potential market for the proposed charter school in the community where the school intends to locate; and

(2) how the authorizer intends to oversee:

(i) the fiscal and student performance of the charter school; and

(ii) compliance with the terms of the written contract between the authorizer and the charter school board of directors under section 124E.10, subdivision 1.

(b) The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. The commissioner must notify the authorizer of the commissioner's final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. An authorizer who fails to obtain the commissioner's approval is precluded from chartering the school that is the subject of this affidavit.

Sec. 10. Minnesota Statutes 2020, section 124E.06, subdivision 5, is amended to read:

Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to amend the school charter to add grades or primary enrollment sites beyond those defined in the original affidavit approved by the commissioner. After approving the school's application, the authorizer shall submit a supplemental affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplemental affidavit to the commissioner by October 1 to be eligible to add grades or sites in the next school year. The supplemental affidavit must document to the authorizer's satisfaction:

- (1) the need for the additional grades or sites with supporting long-range enrollment projections;
- (2) a longitudinal record of student academic performance and growth on statewide assessments under chapter 120B or on other academic assessments that measure longitudinal student performance and growth approved by the charter school's board of directors and agreed upon with the authorizer;
- (3) a history of sound school finances and a plan to add grades or sites that sustains the school's finances; ~~and~~
- (4) board capacity to administer and manage the additional grades or sites; and
- (5) market need and demand study.

(b) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer in writing of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address any deficiencies in the supplemental affidavit to the commissioner's satisfaction. The commissioner must notify the authorizer of final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. The school may not add grades or sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Sec. 11. Minnesota Statutes 2020, section 124E.11, is amended to read:

124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.

(a) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

- (1) pupils within an age group or grade level;
- (2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or
- (3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations.

(b) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish, including on its website, a lottery policy and process that it must use when accepting pupils by lot.

(c) A charter school shall give enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot. A charter school that is located in Duluth township in St. Louis County and admits students in kindergarten through grade 6 must give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children. A charter school may give enrollment preference to children currently enrolled in the school's free preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (b), who are eligible to enroll in kindergarten in the next school year.

(d) Admission to a charter school must be free to any person who resides within the state of Minnesota, and Minnesota students have preference over out-of-state residents. A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which

the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its website a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraph (d), a charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this section.

(f) The charter school shall not distribute any services or goods of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

(g) Once a student is enrolled in the school, the student is considered enrolled in the school until the student formally withdraws or is expelled under the Pupil Fair Dismissal Act in sections 121A.40 to 121A.56.

(h) A charter school with at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf or hard-of-hearing may enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1, paragraph (a), and must comply with the federal Individuals with Disabilities Education Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause (iv).

Sec. 12. Minnesota Statutes 2020, section 124E.12, subdivision 1, is amended to read:

Subdivision 1. **Teachers.** A charter school must employ necessary teachers or contract with a cooperative formed under chapter 308A to provide necessary teachers, as defined by section ~~122A.15, subdivision 1~~ 122A.06, subdivision 2, who hold valid licenses to perform the particular service for which they are employed in the school. The commissioner may reduce the charter school's state aid under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the Professional Educator Licensing and Standards Board. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932 governing whistle-blowers. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

Sec. 13. Minnesota Statutes 2020, section 124E.13, subdivision 1, is amended to read:

Subdivision 1. **Leased space.** A charter school may lease space from: an independent or special school board; other public organization; private, nonprofit, nonsectarian organization; private property owner; or a sectarian organization; and if the leased space is owned by the lessor and is constructed as a school facility. The commissioner must review and approve or disapprove leases in a timely manner to determine eligibility for lease aid under section 124E.22.

Sec. 14. Minnesota Statutes 2020, section 124E.16, subdivision 1, is amended to read:

Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under this subdivision. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing auditing procedures. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing municipal contracting. The audit must comply with the

requirements of sections 123B.75 to 123B.83 governing school district finance, except when the commissioner and authorizer approve a deviation made necessary because of school program finances. The commissioner, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(b) The charter school must submit an audit report to the commissioner and its authorizer annually by December 31. The charter school's charter management organization or educational management organization must submit an audit report to the commissioner annually by December 31.

(c) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information: (1) a copy of management agreements with a charter management organization or an educational management organization and (2) service agreements or contracts over the lesser of \$100,000 or ten percent of the school's most recent annual audited expenditures. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Sec. 15. Minnesota Statutes 2020, section 124E.25, subdivision 1a, is amended to read:

Subd. 1a. **School closures; payments.** (a) Notwithstanding subdivision 1 and section 127A.45, for a charter school ceasing operation on or before June 30, for the payment periods occurring after the school ceases serving students, the commissioner shall withhold the estimated state aid owed the school. The charter school board of directors and authorizer must submit to the commissioner a closure plan under chapter ~~308A~~ or 317A, and financial information about the school's liabilities and assets. After receiving the closure plan, financial information, an audit of pupil counts, and documented lease expenditures from the charter school and monitoring special education expenditures, the commissioner may release cash withheld and may continue regular payments up to the current year payment percentages if further amounts are owed. If, based on audits and monitoring, the school received state aid in excess of the amount owed, the commissioner shall retain aid withheld sufficient to eliminate the aid overpayment.

(b) For a charter school ceasing operations before or at the end of a school year, notwithstanding section 127A.45, subdivision 3, the commissioner may make preliminary final payments after the school submits the closure plan, an audit of pupil counts, documented lease expenditures, and Uniform Financial Accounting and Reporting Standards (UFARS) financial data and the commissioner monitors special education expenditures for the final year of operation. The commissioner may make the final payment after receiving audited financial statements under section 123B.77, subdivision 3.

(c) Notwithstanding sections 317A.701 to 317A.791, after closing a charter school and satisfying creditors, remaining cash and investment balances shall be returned by the commissioner to the state general fund.

ARTICLE 5
SPECIAL EDUCATION

Section 1. Minnesota Statutes 2020, section 124E.21, subdivision 1, is amended to read:

Subdivision 1. **Special education aid.** (a) Except as provided in section 124E.23, special education aid, excluding cross subsidy reduction aid under section 125A.76, subdivision 2e, must be paid to a charter school according to section 125A.76, as though it were a school district.

(b) ~~For fiscal year 2020 and later,~~ The special education aid paid to the charter school shall be adjusted as follows:

(1) if the charter school does not receive general education revenue on behalf of the student according to section 124E.20, the aid shall be adjusted as provided in section 125A.11; or

(2) if the charter school receives general education revenue on behalf of the student according to section 124E.20, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraphs (b) to (e), and if the tuition adjustment is computed under section 127A.47, subdivision 7, paragraph (c), it shall also receive an adjustment equal to ~~five percent for fiscal year 2020 or~~ ten percent for fiscal year 2021 and later of the unreimbursed cost of providing special education and services for the student and the amount in paragraph (c).

(c) A charter school special education tuition adjustment aid equals the difference between the charter school's unreimbursed costs without a rate cap and the district's unreimbursed costs with the rate cap, times the adjustment factor for that year. For fiscal years 2021, 2022, and 2023, the adjustment factor equals 100 percent. For fiscal year 2024, the adjustment factor equals 75 percent. For fiscal year 2025, the adjustment factor equals 50 percent. For fiscal year 2026 and later, the adjustment factor equals 25 percent.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 125A.21, subdivision 1, is amended to read:

Subdivision 1. **Obligation to pay.** (a) Nothing in sections 125A.03 to 125A.24 and 125A.65 relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability, and the child's family.

(b) For purposes of this section, "school district" and "district" mean a school district, charter school, or cooperative unit defined under section 123A.24, subdivision 2, providing direct special education services to students.

(c) A school district shall pay the nonfederal share of medical assistance services provided according to section 256B.0625, subdivision 26. Eligible expenditures must not be made from federal funds or funds used to match other federal funds. Any federal disallowances are the responsibility of the school district. A school district may pay or reimburse co-payments, coinsurance, deductibles, and other enrollee cost-sharing amounts, on behalf of the student or family, in connection with health and related services provided under an individual educational plan or individualized family service plan.

Sec. 3. Minnesota Statutes 2020, section 125A.21, subdivision 2, is amended to read:

Subd. 2. **Third-party reimbursement.** (a) ~~Beginning July 1, 2000,~~ Districts shall seek reimbursement from insurers and similar third parties for the cost of services provided by the district whenever the services provided by the district are otherwise covered by the child's health coverage. Districts shall request, but may not require, the

child's family to provide information about the child's health coverage when a child with a disability begins to receive services from the district of a type that may be reimbursable, and shall request, but may not require, updated information after that as needed.

(b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare under chapter 256L who have no other health coverage, a district shall provide an initial and annual written notice to the enrolled child's parent or legal representative of its intent to seek reimbursement from medical assistance or MinnesotaCare for:

(1) the evaluations required as part of the individualized education program process or individualized family service plan process; and

(2) health-related services provided by the district according to the individualized education program or individualized family service plan.

The initial notice must give the child's parent or legal representative the right to request a copy of the child's education records on the health-related services that the district provided to the child and disclosed to a third-party payer.

(c) The district shall give the parent or legal representative annual written notice of:

(1) the district's intent to seek reimbursement from medical assistance or MinnesotaCare for evaluations required as part of the individualized education program process or individualized family service plan process, and for health-related services provided by the district according to the individualized education program or individualized family service plan;

(2) the right of the parent or legal representative to request a copy of all records concerning individualized education program or individualized family service plan health-related services disclosed by the district to any third party; and

(3) the right of the parent or legal representative to withdraw consent for disclosure of a child's records at any time without consequence.

The written notice shall be provided as part of the written notice required by Code of Federal Regulations, title 34, section 300.504 or 303.520. The district must ensure that the parent of a child with a disability is given notice, in understandable language, of federal and state procedural safeguards available to the parent under this paragraph and paragraph (b).

(d) In order to access the private health care coverage of a child who is covered by private health care coverage in whole or in part, a district must:

(1) obtain annual written informed consent from the parent or legal representative, in compliance with subdivision 5; and

(2) inform the parent or legal representative that a refusal to permit the district or state Medicaid agency to access their private health care coverage does not relieve the district of its responsibility to provide all services necessary to provide free and appropriate public education at no cost to the parent or legal representative.

(e) If the commissioner of human services obtains federal approval to exempt covered individualized education program or individualized family service plan health-related services from the requirement that private health care coverage refuse payment before medical assistance may be billed, paragraphs (b), (c), and (d) shall also apply to students with a combination of private health care coverage and health care coverage through medical assistance or MinnesotaCare.

(f) In the event that Congress or any federal agency or the Minnesota legislature or any state agency establishes lifetime limits, limits for any health care services, cost-sharing provisions, or otherwise provides that individualized education program or individualized family service plan health-related services impact benefits for persons enrolled in medical assistance or MinnesotaCare, the amendments to this subdivision adopted in 2002 are repealed on the effective date of any federal or state law or regulation that imposes the limits. In that event, districts must obtain informed consent consistent with this subdivision as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement for children enrolled in medical assistance under chapter 256B or MinnesotaCare under chapter 256L who have no other health care coverage.

(g) To the extent practicable, a charter school must seek reimbursements under this section in the same manner as school districts. The commissioner may provide training and technical assistance to a charter school seeking third-party reimbursement.

Sec. 4. Minnesota Statutes 2020, section 125A.76, subdivision 2e, is amended to read:

Subd. 2e. **Cross subsidy reduction aid.** (a) A school district's annual cross subsidy reduction aid equals the school district's initial special education cross subsidy for the previous fiscal year times the cross subsidy aid factor for that fiscal year.

(b) The cross subsidy aid factor equals ~~2.6 percent for fiscal year 2020 and~~ 6.43 percent for fiscal year 2021 ~~and later.~~ The cross subsidy aid factor equals 9.33 percent for fiscal year 2022 and 12.11 percent for fiscal year 2023 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 5. Minnesota Statutes 2020, section 127A.47, subdivision 7, is amended to read:

Subd. 7. **Alternative attendance programs.** (a) The general education aid and special education aid for districts must be adjusted for each pupil attending a nonresident district under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The adjustments must be made according to this subdivision.

(b) For purposes of this subdivision, ~~the~~ "unreimbursed cost of providing special education and services" means the difference between: (1) the actual cost of providing special instruction and services, ~~including special transportation and unreimbursed building lease and debt service costs for facilities used primarily for special education,~~ for a pupil with a disability, as defined in section 125A.02, or a pupil, as defined in section 125A.51, who is enrolled in a program listed in this subdivision, including special transportation and unreimbursed building lease and debt service costs for facilities used primarily for special education, minus (2) ~~if the pupil receives special instruction and services outside the regular classroom for more than 60 percent of the school day,~~ the amount of general education revenue, if the pupil receives special instruction and services outside the regular classroom for more than 60 percent of the school day, excluding local optional revenue, plus local optional aid and referendum equalization aid as defined in section 125A.11, subdivision 1, paragraph (d), attributable to that pupil for the portion of time the pupil receives special instruction and services outside of the regular classroom, excluding portions attributable to district and school administration, district support services, operations and maintenance, capital expenditures, and pupil transportation, minus (3) special education aid under section 125A.76, excluding cross subsidy reduction aid under section 125A.76, subdivision 2e, attributable to that pupil, that is received by the district providing special instruction and services. For purposes of this paragraph, general education revenue and referendum equalization aid attributable to a pupil must be calculated using the serving district's average general education revenue and referendum equalization aid per adjusted pupil unit.

(c) ~~For fiscal year 2020, special education aid paid to a resident district must be reduced by an amount equal to 85 percent of the unreimbursed cost of providing special education and services. For fiscal year 2021 and later, Special education aid paid to a resident district must be reduced by an amount equal to 80 percent of the unreimbursed cost of providing special education and services.~~

(d) Notwithstanding paragraph (c), special education aid paid to a resident district must be reduced by an amount equal to 100 percent of the unreimbursed cost of providing special education and services ~~provided~~ to students at an intermediate district, cooperative, or charter school where the percent of students eligible for special education services is at least 70 percent of the charter school's total enrollment.

(e) Notwithstanding paragraph (c), special education aid paid to a resident district must be reduced under paragraph (d) for students at a charter school receiving special education aid under section 124E.21, subdivision 3, calculated as if the charter school received special education aid under section 124E.21, subdivision 1.

(f) Special education aid paid to the district or cooperative providing special instruction and services for the pupil, or to the fiscal agent district for a cooperative, must be increased by the amount of the reduction in the aid paid to the resident district under paragraphs (c) and (d). If the resident district's special education aid is insufficient to make the full adjustment under paragraphs (c), (d), and (e), the remaining adjustment shall be made to other state aids due to the district.

(g) Notwithstanding paragraph (a), general education aid paid to the resident district of a nonspecial education student for whom an eligible special education charter school receives general education aid under section 124E.20, subdivision 1, paragraph (c), must be reduced by an amount equal to the difference between the general education aid attributable to the student under section 124E.20, subdivision 1, paragraph (c), and the general education aid that the student would have generated for the charter school under section 124E.20, subdivision 1, paragraph (a). For purposes of this paragraph, "nonspecial education student" means a student who does not meet the definition of pupil with a disability as defined in section 125A.02 or the definition of a pupil in section 125A.51.

(h) An area learning center operated by a service cooperative, intermediate district, education district, or a joint powers cooperative may elect through the action of the constituent boards to charge the resident district tuition for pupils rather than to have the general education revenue paid to a fiscal agent school district. Except as provided in paragraph (f), the district of residence must pay tuition equal to at least 90 and no more than 100 percent of the district average general education revenue per pupil unit minus an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0466, calculated without compensatory revenue, local optional revenue, and transportation sparsity revenue, times the number of pupil units for pupils attending the area learning center.

(i) For a charter school located outside of Minneapolis or St. Paul, notwithstanding paragraph (b), unreimbursed tuition reimbursement amounts for a charter school, not including a charter school for which the tuition adjustment is calculated under paragraph (d) or (e), must be computed according to this paragraph. For purposes of this paragraph:

(1) "regular school year statewide district cap rate" means the unreimbursed regular school year cost per service hour, calculated statewide for all districts and averaged across the current year;

(2) "extended school year statewide district cap rate" means the unreimbursed extended school year cost per service hour, calculated statewide for all districts and averaged across the current year;

(3) "special education one-to-one paraprofessional statewide district cap rate" means the unreimbursed special education one-to-one paraprofessional cost per hour, calculated statewide for all districts and averaged across the current year; and

(4) "unreimbursed cost of providing special education and services" means the lesser of (i) the amount calculated under paragraph (b), or (ii) the regular school year statewide district cap rate multiplied by the regular school year service hours, plus the extended school year statewide district cap rate multiplied by the extended school year service hours, plus the special education one-to-one paraprofessional statewide district cap rate times instructional hours.

(j) For a charter school located in the city of Minneapolis, the commissioner must substitute the Minneapolis school district's cap rates for the statewide cap rates for that year. For a charter school located in the city of St. Paul, the commissioner must substitute the St. Paul school district's cap rates for the statewide cap rates for that year.

(k) For purposes of paragraphs (i) and (j), for each capped rate, the unreimbursed cap rate for the charter school must not exceed 200 percent of the capped rate for fiscal year 2024, 175 percent of the capped rate for fiscal year 2025, 150 percent of the capped rate for fiscal year 2026, and 125 percent of the capped rate for fiscal year 2027 and later.

(l) Notwithstanding paragraph (b), the department may disallow tuition expenses for a charter school if the department determines that the charter school failed to pursue third-party billing for qualifying special education services.

EFFECTIVE DATE. This section is effective for fiscal year 2023 and later.

Sec. 6. **SPECIAL EDUCATION RECOVERY SERVICES AND SUPPORTS.**

Subdivision 1. **Special education recovery.** The commissioner of education, school districts, and charter schools must collaborate with families of students with disabilities as provided in this section to address the impact of disruptions to in-person instruction on students' access to a free appropriate public education related to the COVID-19 pandemic.

Subd. 2. **Special education services and supports.** (a) A school district or charter school that serves one or more students with disabilities must invite the parents of a student with a disability to a meeting of each individualized education program (IEP) team as soon as practicable but no later than December 1, 2021, to determine whether special education services and supports are necessary to address lack of progress on IEP goals or in the general education curriculum or loss of learning or skills due to disruptions related to the COVID-19 pandemic. The services and supports may include but are not limited to extended school year services, additional IEP services, compensatory services, or other appropriate services. This meeting may occur in an annual or other regularly scheduled IEP meeting. If the IEP team determines that the services and supports are necessary, the team shall determine what services and supports are appropriate for the student and when and how those services should be provided, in accordance with relevant guidance from the Minnesota Department of Education and the United States Department of Education. The services and supports must be included in the IEP of the student. A district or charter school must report to the commissioner, in the form and manner determined by the commissioner, the services and supports provided to students with disabilities under this section, including the cost of providing the services.

(b) In determining whether a student is eligible for services and supports described in paragraph (a), and what services and supports are appropriate for the student, the IEP team must consider, in conjunction with any other considerations advised by guidance from the Minnesota Department of Education or the United States Department of Education:

(1) services and supports provided to the student before the disruptions to in-person instruction related to the COVID-19 pandemic;

(2) the ability of the student to access services and supports;

(3) the student's progress toward IEP goals, including the goals in the IEP in effect before disruptions to in-person instruction related to the COVID-19 pandemic, and progress in the general education curriculum;

(4) the student's regression or lost skills resulting from disruptions to instruction;

(5) other significant influences on the student's ability to participate in and benefit from instruction related to the COVID-19 pandemic, including family loss, changed family circumstances, other trauma, and illness; and

(6) the types of services and supports that would benefit the student and improve the student's ability to benefit from school, including academic supports, behavioral supports, mental health supports, related services, and other services and supports.

(c) When considering how and when the services and supports described in paragraph (a) should be provided, the IEP team must take into account the timing and delivery method most appropriate for the student, such as time of day, day of the week, or time of year, and the availability of other services accessible to the student to address learning loss. The IEP team may determine that providers in addition to school district or charter school staff are most appropriate to provide the services and supports described in paragraph (a).

(d) A school district or charter school must make available the services and supports included in an IEP, as described in paragraph (a), until the IEP team determines that services and supports are no longer necessary to address lack of progress on IEP goals or in the general education curriculum or loss of learning or skills due to disruptions related to the COVID-19 pandemic.

(e) A school district providing special education services on a shared time basis to a student enrolled in a nonpublic school must offer the student special education services and supports in accordance with this section.

(f) The commissioner may identify school district, charter school, and cooperative unit pandemic-related expenses incurred under this section, and if the commissioner determines the costs are eligible for funding using the additional funds set aside under the American Rescue Plan Act, section 2014, for the Individuals with Disabilities Education Act, the commissioner may allocate the federal funds for 100 percent of the costs of the services provided under this section and exclude these expenses from state special education aid under Minnesota Statutes, sections 125A.76 and 125A.79.

Sec. 7. **THIRD-PARTY REIMBURSEMENT.**

The commissioner of education and commissioner of human services must consult with stakeholders to identify strategies to streamline access and reimbursement for behavioral health services for children who are enrolled in medical assistance and have individualized education programs or individualized family services plans, and to avoid duplication of services and procedures to the extent practicable. The commissioners must review models used in other states and identify strategies to reduce administrative burdens for schools while ensuring continuity of care for students accessing services when not in school. By November 1, 2021, the commissioners must report their findings and recommendations for statutory changes to the chairs and ranking members of the committees with jurisdiction over early learning through grade 12 education and human services in accordance with Minnesota Statutes, section 3.195.

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

Sec. 8. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **Special education; regular.** For special education aid under Minnesota Statutes, section 125A.75:

<u>\$1,844,261,000</u>	<u>.....</u>	<u>2022</u>
<u>\$1,994,392,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$215,125,000 for 2021 and \$1,629,136,000 for 2022.

The 2023 appropriation includes \$229,335,000 for 2022 and \$1,765,057,000 for 2023.

Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

<u>\$1,818,000</u>	.....	<u>2022</u>
<u>\$2,010,000</u>	.....	<u>2023</u>

If the appropriation for either year is insufficient, the appropriation for the other year is available.

Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

<u>\$465,000</u>	.....	<u>2022</u>
<u>\$512,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$23,000 for 2021 and \$442,000 for 2022.

The 2023 appropriation includes \$49,000 for 2022 and \$463,000 for 2023.

Subd. 5. **Court-placed special education revenue.** For reimbursing serving school districts for unreimbursed eligible expenditures attributable to children placed in the serving school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

<u>\$24,000</u>	.....	<u>2022</u>
<u>\$25,000</u>	.....	<u>2023</u>

Subd. 6. **Special education out-of-state tuition.** For special education out-of-state tuition under Minnesota Statutes, section 125A.79, subdivision 8:

<u>\$250,000</u>	.....	<u>2022</u>
<u>\$250,000</u>	.....	<u>2023</u>

ARTICLE 6 HEALTH AND SAFETY

Section 1. Minnesota Statutes 2020, section 120B.21, is amended to read:

120B.21 MENTAL HEALTH EDUCATION.

School districts and charter schools ~~are encouraged to~~ must provide mental health instruction for students in grades 4 through 12 aligned with local health education standards and integrated into existing programs, curriculum, or the general school environment activities of a district or charter school. The commissioner, in consultation with the commissioner of human services, commissioner of health, and mental health organizations, ~~must, by July 1, 2020, and July 1 of each even-numbered year thereafter,~~ provide districts and charter schools with resources gathered by Minnesota mental health advocates, including:

(1) age-appropriate model learning activities for grades 4 through 12 that encompass the mental health components of the National Health Education Standards and the benchmarks developed by the department's quality teaching network in health and best practices in mental health education; and

(2) a directory of resources for planning and implementing age-appropriate mental health curriculum and instruction in grades 4 through 12 that includes resources on suicide and self-harm prevention. A district or charter school providing instruction or presentations on preventing suicide or self-harm must use either the resources provided by the commissioner or other evidence-based instruction.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 2. Minnesota Statutes 2020, section 121A.031, subdivision 5, is amended to read:

Subd. 5. **Safe and supportive schools programming.** (a) Districts and schools ~~are encouraged to~~ must provide developmentally appropriate programmatic instruction to help students identify, prevent, and reduce prohibited conduct; ~~value diversity in school and society; develop and improve students' knowledge and skills for solving problems, managing conflict, engaging in civil discourse, and recognizing, responding to, and reporting prohibited conduct; and make effective prevention and intervention programs available to students. Upon request, the school safety technical assistance center under section 127A.052 must assist a district or school in helping students understand social media and cyberbullying. Districts and schools must establish~~ by establishing strategies for creating a positive school climate and use evidence-based social-emotional learning to prevent and reduce discrimination and other improper conduct.

(b) Districts and schools ~~are encouraged to~~ must:

- (1) engage all students in creating a safe and supportive school environment;
- (2) partner with parents and other community members to develop and implement prevention and intervention programs;
- (3) engage all students and adults in integrating education, intervention, and other remedial responses into the school environment;
- (4) train student bystanders to intervene in and report incidents of prohibited conduct to the school's primary contact person;
- (5) teach students to advocate for themselves and others;
- (6) prevent inappropriate referrals to special education of students who may engage in prohibited conduct; and
- (7) foster student collaborations that foster a safe and supportive school climate.

Sec. 3. Minnesota Statutes 2020, section 121A.031, subdivision 6, is amended to read:

Subd. 6. **State model policy.** (a) The commissioner, in consultation with the commissioner of human rights, shall develop and maintain a state model policy. A district or school that does not adopt and implement a local policy under subdivisions 3 to 5 must implement and may supplement the provisions of the state model policy. The commissioner must assist districts and schools under this subdivision to implement the state policy. The state model policy must:

- (1) define prohibited conduct, consistent with this section;
- (2) apply the prohibited conduct policy components in this section;

(3) for a child with a disability, whenever an evaluation by an individualized education program team or a section 504 team indicates that the child's disability affects the child's social skills development or the child is vulnerable to prohibited conduct because of the child's disability, the child's individualized education program or section 504 plan may address the skills and proficiencies the child needs to not engage in and respond to such conduct; and

(4) encourage violence prevention and character development education programs under section 120B.232, subdivision 1.

(b) The commissioner shall develop and post departmental procedures for:

(1) periodically reviewing district and school programs and policies for compliance with this section;

(2) investigating, reporting, and responding to noncompliance with this section, which may include an annual review of plans to improve and provide a safe and supportive school climate; and

(3) allowing students, parents, and educators to file a complaint about noncompliance with the commissioner.

(c) The commissioner must post on the department's website information indicating that when districts and schools allow non-curriculum-related student groups access to school facilities, the district or school must give all student groups equal access to the school facilities regardless of the content of the group members' speech.

(d) The commissioner must develop and maintain resources to assist a district or school in implementing strategies for creating a positive school climate and use evidence-based social-emotional learning to prevent and reduce discrimination and other improper conduct.

(e) The commissioner must develop and adopt state-level social-emotional learning standards.

Sec. 4. **[121A.20] SCHOOL MENTAL HEALTH SYSTEMS.**

Mental health is defined as the social, emotional, and behavioral well-being of students. Comprehensive school mental health systems provide an array of supports and services that promote positive school climate, social-emotional learning, and mental health and well-being, while reducing the prevalence and severity of mental illness. School mental health systems are built on a strong foundation of district and school professionals, including administrators, educators, and specialized instructional support personnel including school psychologists, school social workers, school counselors, school nurses, and other school health professionals, all in strategic partnership with students and families, as well as community health and mental health partners. School mental health systems also assess and address the social and environmental factors that impact mental health, including public policies and social norms that shape mental health outcomes.

Sec. 5. **[121A.201] MULTI-TIERED SYSTEM OF SUPPORTS.**

The Minnesota Multi-Tiered System of Supports is a systemic, continuous improvement framework for ensuring positive social, emotional, behavioral, developmental, and academic outcomes for every student. The Multi-Tiered System of Supports provides access to layered tiers of culturally and linguistically responsive, evidence-based practices. The Multi-Tiered System of Supports framework relies on the understanding and belief that every student can learn and thrive, and it engages an anti-racist approach to examining policies and practices and ensuring equitable distribution of resources and opportunity. This systemic framework requires:

(1) design and delivery of culturally and linguistically responsive, effective, standards-based core instruction in safe, supportive environments inclusive of every student as a necessary foundation for tiered supports;

(2) layered tiers of culturally and linguistically responsive supplemental and intensive supports to meet each student's needs;

(3) developing collective knowledge and experience through engagement in representative partnerships with students, education professionals, families, and communities;

(4) multidisciplinary teams of education professionals that review and use data to prevent and solve problems, inform instruction and supports, and ensure effective implementation in partnership with students and families;

(5) effective and timely use of meaningful, culturally relevant data disaggregated by student groups identified in section 121A.031 that includes but is not limited to universal screening, frequent progress monitoring, implementation fidelity, and multiple qualitative and quantitative sources; and

(6) ongoing professional learning on the Multi-Tiered System of Supports systemic framework using anti-racist approaches to training and coaching.

Sec. 6. **[121A.24] SEIZURE TRAINING AND ACTION PLAN.**

Subdivision 1. **Seizure action plan.** (a) For purposes of this section, "seizure action plan" means a written individualized health plan designed to acknowledge and prepare for the health care needs of a student with a seizure disorder diagnosed by the student's treating licensed health care provider.

(b) The requirements of this subdivision apply to a school district or charter school where an enrolled student's parent or guardian has notified the school district or charter school that the student has a diagnosed seizure disorder and has seizure rescue medication or medication prescribed by the student's licensed health care provider to treat seizure disorder symptoms approved by the United States Food and Drug Administration. The parent or guardian of a student with a diagnosed seizure disorder must collaborate with school personnel to implement the seizure action plan.

(c) A seizure action plan must:

(1) identify a school nurse or a designated individual at each school site who is on duty during the regular school day and can administer or assist with the administration of seizure rescue medication or medication prescribed to treat seizure disorder symptoms approved by the United States Food and Drug Administration;

(2) require training on seizure medications for an employee identified under clause (1), recognition of signs and symptoms of seizures, and appropriate steps to respond to seizures;

(3) be provided to the person identified under clause (1); and

(4) be filed in the office of the school principal or licensed school nurse or, in the absence of a licensed school nurse, a professional nurse or designated individual.

(d) A school district or charter school employee or volunteer responsible for the supervision or care of a student with a diagnosed seizure disorder must be given notice and a copy of the seizure action plan, the name or position of the employee identified under paragraph (c), clause (1), and the method by which the trained school employee may be contacted in an emergency.

Subd. 2. **Training requirements.** A school district or charter school must provide all licensed school nurses or, in the absence of a licensed school nurse, a professional nurse or designated individual, and other school staff working with students with self-study materials on seizure disorder signs, symptoms, medications, and appropriate responses.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 7. **[124D.901] STUDENT SUPPORT PERSONNEL AID.**

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given:

(1) "new position" means a student support services personnel full-time or part-time position not under contract by a school district, charter school, or cooperative unit at the start of the 2021-2022 school year; and

(2) "student support services personnel" means an individual licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

Subd. 2. **Purpose.** The purpose of student support personnel aid is to:

(1) address shortages of student support services personnel within Minnesota schools;

(2) decrease caseloads for existing student support services personnel to ensure effective services;

(3) ensure that students receive effective academic guidance and integrated and comprehensive services to improve prekindergarten through grade 12 school outcomes and career and college readiness;

(4) ensure that student support services personnel serve within the scope and practice of their training and licensure;

(5) fully integrate learning supports, instruction, and school management within a comprehensive approach that facilitates interdisciplinary collaboration; and

(6) improve school safety and school climate to support academic success and career and college readiness.

Subd. 3. **Aid eligibility and application.** A school district, charter school, intermediate school district, or other cooperative unit is eligible to apply for student support personnel aid under this section. The commissioner must prescribe the form and manner of the application, which must include a plan describing how the aid will be used.

Subd. 4. **Student support personnel aid.** (a) The initial student support personnel aid for a school district equals the greater of \$20 times the number of pupils enrolled at the district on October 1 of the previous fiscal year or \$31,500. The initial student support personnel aid for a charter school equals \$20 times the number of pupils enrolled at the charter school on October 1 of the previous fiscal year.

(b) The cooperative student support personnel aid for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students equals \$6 times the number of pupils enrolled at the district on October 1 of the previous fiscal year. If a district is a member of more than one cooperative unit that enrolls students, the revenue must be allocated among the cooperative units.

(c) Notwithstanding paragraphs (a) and (b), the student support personnel aid must not exceed the district or cooperative unit's actual expenditure according to the approved plan under subdivision 3.

Subd. 5. **Allowed uses; match requirements.** (a) Aid under this section must be used to hire new positions for student support services personnel.

(b) Cooperative student support personnel aid must be transferred to the intermediate district or other cooperative unit of which the district is a member and used to hire new positions for student support services personnel at the intermediate district or cooperative unit.

(c) If a school district, charter school, or cooperative unit is not able to hire a new full-time equivalent position with student support personnel aid, the aid may be used for contracted services from individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

(d) Student support personnel hired or contracted before the start of the 2021-2022 school year with federal funding related to COVID-19, including the American Rescue Plan, Public Law 117-2, is considered personnel hired for new positions.

Subd. 6. **Report required.** By February 1 following any fiscal year in which student support personnel aid was received, a school district, charter school, or cooperative unit must submit a written report to the commissioner indicating how the new position affected two or more of the following measures:

(1) school climate;

(2) attendance rates;

(3) academic achievement;

(4) career and college readiness;

(5) postsecondary completion rates; and

(6) student health.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2023 and later.

Sec. 8. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education in the fiscal years designated.

Subd. 2. **Student support personnel aid.** For aid to support schools in addressing students' social, emotional, and physical health under Minnesota Statutes, section 124D.901:

<u>\$17,223,000</u>	<u>.....</u>	<u>2023</u>
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Subd. 3. **Suicide prevention training for teachers.** (a) For transfer to the commissioner of health for a grant to a nationally recognized provider of evidence-based online training on suicide prevention and engagement of students experiencing mental distress:

<u>\$265,000</u>	<u>.....</u>	<u>2022</u>
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(b) Training funded by the grant must be accessible to teachers in every school district, charter school, intermediate school district, service cooperative, and Tribal school in Minnesota.

(c) The grant recipient must report to the commissioner of health the number of teachers completing the online training, average length of time to complete training, and length of average stay using the online training. The commissioner must survey online training users to determine their perception of the online training. By January 8, 2023, the commissioner must report the grant recipient's information and the survey results to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education and suicide prevention.

(d) This is a onetime appropriation and is available until June 30, 2023.

Subd. 4. **Equity diversity and inclusion trauma-informed grants.** (a) For grants to districts and charter schools to implement professional development for staff focused on trauma-informed practices:

<u>\$6,000,000</u>	<u>.....</u>	<u>2022</u>
<u>\$6,000,000</u>	<u>.....</u>	<u>2023</u>

(b) The department must develop best practices and other resources for trauma-informed practices.

(c) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

(d) The department may retain up to five percent of the appropriation for the administration of the program and grants.

(e) This is a onetime appropriation.

(f) Any balance in the first year does not cancel but is available in the second year.

ARTICLE 7 FACILITIES

Section 1. [121A.336] NOTIFICATION OF ENVIRONMENTAL HAZARDS.

Upon notification by the Department of Health or Pollution Control Agency to a school district, charter school, or nonpublic school of environmental hazards that may affect the health of students or school staff, the school must notify school staff, students, and parents of the hazards as soon as practicable. The notice must include direction on how to obtain additional information about the hazard, including any actions that may reduce potential harm to those affected by the hazard.

Sec. 2. Minnesota Statutes 2020, section 123B.595, subdivision 3, is amended to read:

Subd. 3. **Intermediate districts and other cooperative units.** (a) Upon approval through the adoption of a resolution by each member district school board of an intermediate district or other cooperative ~~units~~ unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59, and the approval of the commissioner of education, a school district may include in its authority under this section a proportionate share of the long-term maintenance costs of the intermediate district ~~or~~ cooperative unit, or joint powers district. The cooperative unit or joint powers district may issue bonds to finance the project costs or levy for the costs, using long-term maintenance revenue transferred from member districts to make debt service payments or pay project costs or, for leased facilities, pay the portion of lease costs attributable to the amortized cost of long-term facilities maintenance projects completed by the landlord. Authority under this subdivision is in addition to the authority for individual district projects under subdivision 1.

(b) The resolution adopted under paragraph (a) may specify which member districts will share the project costs under this subdivision, except that debt service payments for bonds issued by a cooperative unit or joint powers district to finance long-term maintenance project costs must be the responsibility of all member districts.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2023 and later.

Sec. 3. Minnesota Statutes 2020, section 126C.40, subdivision 1, is amended to read:

Subdivision 1. **To lease building or land.** (a) When an independent or a special school district or a group of independent or special school districts finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.

(b) The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building or land for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services. A district may not levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself.

(c) For agreements finalized after July 1, 1997, a district may not levy under this subdivision for the purpose of leasing: (1) a newly constructed building used primarily for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed building addition or additions used primarily for regular kindergarten, elementary, or secondary instruction that contains more than 20 percent of the square footage of the previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself only if the amount is needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, and the levy meets the requirements of paragraph (c). A levy authorized for a district by the commissioner under this paragraph may be in the amount needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, provided that any agreement include a provision giving the school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed \$212 times the adjusted pupil units for the fiscal year to which the levy is attributable.

(f) For agreements for which a review and comment have been submitted to the Department of Education after April 1, 1998, the term "instructional purpose" as used in this subdivision excludes expenditures on stadiums.

(g) The commissioner of education may authorize a school district to exceed the limit in paragraph (e) if the school district petitions the commissioner for approval. The commissioner shall grant approval to a school district to exceed the limit in paragraph (e) for not more than five years if the district meets the following criteria:

(1) the school district has been experiencing pupil enrollment growth in the preceding five years;

(2) the purpose of the increased levy is in the long-term public interest;

(3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding over construction of school facilities.

(h) A school district that is a member of an intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 may include in its authority under this section the costs associated with leases of administrative and classroom space for ~~intermediate school district programs of the intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or joint powers district under section 471.59.~~ This authority must not exceed \$65 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. The intermediate school district, other cooperative unit, or joint powers district may specify which member districts will levy for lease costs under this paragraph.

~~(i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012 to 2023, a district that is a member of the "Technology and Information Education Systems" data processing joint board, that finds it economically advantageous to enter into a lease agreement to finance improvements to a building and land for a group of school districts or special school districts for staff development purposes, may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The total levy authority under this paragraph shall not exceed \$632,000.~~

~~(j) (i) Notwithstanding paragraph (a), a district may levy under this subdivision for the purpose of leasing administrative space if the district can demonstrate to the satisfaction of the commissioner that the lease cost for the administrative space is no greater than the lease cost for instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under this section if the commissioner does not grant authority under this paragraph. The resolution must also certify that the lease cost for administrative space under this paragraph is no greater than the lease cost for the district's proposed instructional lease.~~

~~(j) Notwithstanding paragraph (a), a district may levy under this subdivision for the district's proportionate share of deferred maintenance expenditures for a district-owned building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 for any instructional purposes or for school storage.~~

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2023 and later.

Sec. 4. Minnesota Statutes 2020, section 126C.44, is amended to read:

126C.44 SAFE SCHOOLS LEVY.

(a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to \$36 multiplied by the district's adjusted pupil units for the school year.

(b) The proceeds of the levy must be reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes:

(1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools;

(2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools;

(3) to pay the costs for a gang resistance education training curriculum in the district's schools;

(4) to pay the costs for security in the district's schools and on school property;

(5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district;

(6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems;

(7) to pay for facility security enhancements including laminated glass, public announcement systems, emergency communications devices, and equipment and facility modifications related to violence prevention and facility security;

(8) to pay for costs associated with improving the school climate; or

(9) to pay costs for colocating and collaborating with mental health professionals who are not district employees or contractors.

~~(b)~~ (c) For expenditures under paragraph ~~(a)~~ (b), clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

~~(e)~~ (d) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph ~~(a)~~ (b) for intermediate school district programs. This authority must not exceed \$15 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.

(e) A school district or charter school receiving revenue under this section must annually report safe schools expenditures to the commissioner, in the form and manner specified by the commissioner. The report must conform to uniform financial and reporting standards established for this purpose and provide a breakdown by functional area.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2022 and later.

Sec. 5. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **Debt service equalization aid.** For debt service equalization aid under Minnesota Statutes, section 123B.53, subdivision 6:

<u>\$25,001,000</u>	<u>.....</u>	<u>2022</u>
<u>\$24,286,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$2,588,000 for 2021 and \$22,413,000 for 2022.

The 2023 appropriation includes \$2,371,000 for 2022 and \$21,915,000 for 2023.

Subd. 3. **Long-term facilities maintenance equalized aid.** For long-term facilities maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

<u>\$108,582,000</u>	.....	<u>2022</u>
<u>\$111,077,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$10,660,000 for 2021 and \$97,922,000 for 2022.

The 2023 appropriation includes \$10,880,000 for 2022 and \$100,197,000 for 2023.

Subd. 4. **Equity in telecommunications access.** (a) For equity in telecommunications access:

<u>\$3,750,000</u>	.....	<u>2022</u>
<u>\$3,750,000</u>	.....	<u>2023</u>

(b) If the appropriation amount is insufficient, the commissioner shall reduce the reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the revenue for fiscal years 2022 and 2023 shall be prorated.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 5. **Maximum effort loan aid.** For aid payments to schools under Minnesota Statutes, section 477A.09.

<u>\$3,288,000</u>	.....	<u>2022</u>
<u>\$0</u>	.....	<u>2023</u>

The base for fiscal year 2024 is \$0.

ARTICLE 8 NUTRITION AND LIBRARIES

Section 1. Minnesota Statutes 2020, section 124D.111, is amended to read:

124D.111 SCHOOL MEAL POLICY; LUNCH AID; FOOD SERVICE ACCOUNTING.

Subdivision 1. **School lunch-aid-computation meal policy.** (a) Each Minnesota sponsor of the national school lunch program or school breakfast program must adopt and post to its website, or the website of the organization where the meal is served, a school meal policy. The policy must:

(1) be in writing, accessible in multiple languages, and clearly communicate student meal charges when payment cannot be collected at the point of service;

(2) be reasonable and well-defined and maintain the dignity of students by prohibiting lunch shaming or otherwise ostracizing any student;

(3) address whether the sponsor uses a collection agency to collect unpaid school meal debt;

(4) require any communication to collect unpaid school meal debt be done by school staff trained on the school district's policy on collecting student meal debt;

(5) require that all communication relating to school meal debt be delivered only to a student's parent or guardian and not directly to the student;

(6) ensure that once a sponsor has placed a meal on a tray or otherwise served a reimbursable meal to a student, the meal may not be subsequently withdrawn from the student by the cashier or other school official because the student has outstanding meal debt;

(7) ensure that a student who has been determined eligible for free and reduced-price lunch must always be served a reimbursable meal even if the student has outstanding debt;

(8) provide the third-party provider with its school meal policy if the school contracts with a third-party provider for its meal services; and

(9) require school nutrition staff be trained on the policy.

(b) Any contract between a school and a third-party provider of meal services entered into or modified on or after July 1, 2021, must ensure that the third-party provider adheres to the sponsor's school meal policy.

Subd. 1a. School lunch aid amounts. Each school year, the state must pay ~~participants~~ sponsors in the national school lunch program the amount of 12.5 cents for each full paid and free student lunch and 52.5 cents for each reduced-price lunch served to students.

Subd. 2. Application. A school district, charter school, nonpublic school, or other ~~participant~~ sponsor in the national school lunch program shall apply to the department for this payment on forms provided by the department.

Subd. 2a. Federal Child and Adult Care Food Program; criteria and notice. The commissioner must post on the department's website eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal Child and Adult Care Food Program. The posted criteria and information must inform interested nonprofit organizations about:

(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;

(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and

(3) any appeal or other recourse available to a disapproved applicant.

Subd. 3. School food service fund. (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program must be charged to the general fund.

That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund provided that the school district does not employ or contract with a food service director or other individual who manages the food service program, or food service

management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department.

(d) Capital expenditures for the purchase of food service equipment must be made from the general fund and not the food service fund, unless the restricted balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased.

(e) If the condition set out in paragraph (d) applies, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year. However, if a district contracts with a food service management company during the period in which the deficit has accrued, the deficit must be eliminated by a payment from the food service management company.

(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund for up to three years without making the permanent transfer if the district submits to the commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at the end of the third fiscal year.

(h) If a surplus in the food service fund exists at the end of a fiscal year for three successive years, a district may recode for that fiscal year the costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program charged to the general fund according to paragraph (c) and charge those costs to the food service fund in a total amount not to exceed the amount of surplus in the food service fund.

Subd. 4. **No fees.** A ~~participant~~ sponsor that receives school lunch aid under this section must make lunch meals available without charge and must not deny a school lunch or breakfast to all participating students who qualify for free or reduced-price meals, whether or not the student has an outstanding balance in the student's meal account attributable to a la carte purchases or for any other reason. The ~~participant~~ sponsor must also ensure that any reminders for payment of outstanding student meal balances do not demean or stigmatize any child participating in the school lunch program or school breakfast program.

Subd. 5. **Respectful treatment.** (a) The sponsor must also provide meals to students in a respectful manner according to the policy adopted under subdivision 1. The sponsor must ensure respectful treatment of students, including but not limited to ensuring that: a meal is not dumped in the trash; no meal that has been served is withdrawn from a student; and no students with outstanding meals balances have their names announced or listed in a public manner nor receive a sticker, stamp, or pinned note reminding the students of the outstanding meals balance. The sponsor must not impose any other restriction prohibited under section 123B.37 due to unpaid student meal debt. The sponsor must not limit a student's participation in any school activities, graduation ceremonies, field trips, athletics, activity clubs, or other extracurricular activities or access to materials, technology, or other items provided to students due to an unpaid student meal debt.

(b) If the commissioner or the commissioner's designee determines a sponsor has violated the requirement to provide meals to participating students in a respectful manner, the commissioner or the commissioner's designee must send a letter of noncompliance to the sponsor. The sponsor is required to respond and, if applicable, remedy the practice within 60 days.

Subd. 6. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "A la carte" means a food item ordered separately from the school meal.

(c) "School meal" means a meal provided to students during the school day.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 124D.1158, is amended to read:

124D.1158 SCHOOL BREAKFAST PROGRAM.

Subdivision 1. **Purpose.** The purpose of the school breakfast program is to provide affordable morning nutrition to children so that they can effectively learn. Public and nonpublic schools that participate in the federal school breakfast program may receive state breakfast aid. Schools shall encourage all children to eat a nutritious breakfast, either at home or at school, and shall work to eliminate barriers to breakfast participation at school such as inadequate facilities and transportation.

Subd. 2. **Program; eligibility.** Each school year, public and nonpublic schools that participate in the federal school breakfast program are eligible for the state breakfast program.

Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each participating school 30 cents for each reduced-price breakfast, 55 cents for each fully paid breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast served to a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151, early childhood special education students participating in a program authorized under section 124D.151, or a kindergarten student.

Subd. 4. **No fees.** A school that receives school breakfast aid under this section must make breakfast available without charge to all participating students in grades 1 to 12 who qualify for free or reduced-price meals and to all prekindergarten students enrolled in an approved voluntary prekindergarten program under section 124D.151, early childhood special education students participating in a program authorized under section 124D.151, and all kindergarten students.

Sec. 3. **[124D.901] SCHOOL LIBRARIES AND MEDIA CENTERS.**

A school district or charter school library or school library media center provides equitable and free access to students, teachers, and administrators. A school library or school library media center is defined as having the following characteristics:

(1) ensures every student has equitable access to resources and is able to locate, access, and use on-site resources that are organized and cataloged;

(2) has a collection development policy that includes but is not limited to materials selection and de-selection, a challenged materials procedure, and an intellectual and academic freedom statement;

(3) is housed in a central location that provides an environment for expanded learning to meet the unique needs and interests of individual students;

(4) has technology tools and broadband access; and

(5) employs a licensed school library media specialist or licensed school librarian.

Sec. 4. Minnesota Statutes 2020, section 134.34, subdivision 1, is amended to read:

Subdivision 1. **Local support levels.** (a) Regional library basic system support aid shall be provided to any regional public library system where there are at least three participating counties and where each participating city and county is providing for public library service support the lesser of (a) an amount equivalent to .82 percent of the

average of the adjusted net tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second, third, and fourth year preceding that calendar year or (b) a per capita amount calculated under the provisions of this subdivision. The per capita amount is established for calendar year 1993 as \$7.62. In succeeding calendar years, the per capita amount shall be increased by a percentage equal to one-half of the percentage by which the total state adjusted net tax capacity of property as determined by the commissioner of revenue for the second year preceding that calendar year increases over that total adjusted net tax capacity for the third year preceding that calendar year.

(b) The minimum level of support specified under this subdivision or subdivision 4 shall be certified annually to the participating cities and counties by the Department of Education. If a city or county chooses to reduce its local support in accordance with subdivision 4, paragraph (b) or (c), it shall notify its regional public library system. The regional public library system shall notify the Department of Education that a revised certification is required. The revised minimum level of support shall be certified to the city or county by the Department of Education.

(c) A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the Department of Education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for regional library basic system support aid. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.

(d) The amounts required to be expended under this section are subject to the reduced maintenance of effort requirements in section 275.761.

Sec. 5. Minnesota Statutes 2020, section 134.355, subdivision 5, is amended to read:

Subd. 5. **Base aid distribution.** ~~Five~~ Fifteen percent of the available aid funds shall be paid to each system as base aid for basic system services.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2022 and later.

Sec. 6. Minnesota Statutes 2020, section 134.355, subdivision 6, is amended to read:

Subd. 6. **Adjusted net tax capacity per capita distribution.** ~~Twenty-five~~ Fifteen percent of the available aid funds shall be distributed to regional public library systems based upon the adjusted net tax capacity per capita for each member county or participating portion of a county as calculated for the ~~second~~ third year preceding the fiscal year for which aid is provided. Each system's entitlement shall be calculated as follows:

~~(a)~~ (1) multiply the adjusted net tax capacity per capita for each county or participating portion of a county by .0082;

~~(b)~~ (2) add sufficient aid funds that are available under this subdivision to raise the amount of the county or participating portion of a county with the lowest value calculated according to ~~paragraph (a) clause (1)~~ to the amount of the county or participating portion of a county with the next highest value calculated according to ~~paragraph (a) clause (1)~~. Multiply the amount of the additional aid funds by the population of the county or participating portion of a county;

~~(c)~~ (3) continue the process described in ~~paragraph (b) clause (2)~~ by adding sufficient aid funds that are available under this subdivision to the amount of a county or participating portion of a county with the next highest value calculated in ~~paragraph (a) clause (1)~~ to raise it and the amount of counties and participating portions of counties with lower values calculated in ~~paragraph (a) clause (1)~~ up to the amount of the county or participating portion of a

county with the next highest value, until reaching an amount where funds available under this subdivision are no longer sufficient to raise the amount of a county or participating portion of a county and the amount of counties and participating portions of counties with lower values up to the amount of the next highest county or participating portion of a county; and

~~(d)~~ (4) if the point is reached using the process in ~~paragraphs (b) and (c)~~ clauses (2) and (3) at which the remaining aid funds under this subdivision are not adequate for raising the amount of a county or participating portion of a county and all counties and participating portions of counties with amounts of lower value to the amount of the county or participating portion of a county with the next highest value, those funds are to be divided on a per capita basis for all counties or participating portions of counties that received aid funds under the calculation in ~~paragraphs (b) and (c)~~ clauses (2) and (3).

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2022 and later.

Sec. 7. Minnesota Statutes 2020, section 134.355, subdivision 7, is amended to read:

Subd. 7. **Population determination.** A regional public library system's population shall be determined according to must be calculated using the most recent estimate available under section 477A.011, subdivision 3, at the time the aid amounts are calculated, which must be by April 1 in the year the calculation is made.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2022 and later.

Sec. 8. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balance in the first year does not cancel but is available in the second year.

Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

<u>\$16,661,000</u>	<u>.....</u>	<u>2022</u>
<u>\$16,954,000</u>	<u>.....</u>	<u>2023</u>

Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes, section 124D.1158:

<u>\$12,133,000</u>	<u>.....</u>	<u>2022</u>
<u>\$12,485,000</u>	<u>.....</u>	<u>2023</u>

Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes, section 124D.118:

<u>\$656,000</u>	<u>.....</u>	<u>2022</u>
<u>\$658,000</u>	<u>.....</u>	<u>2023</u>

Subd. 5. **Summer school food service replacement.** For summer school food service replacement aid under Minnesota Statutes, section 124D.119:

<u>\$150,000</u>	<u>.....</u>	<u>2022</u>
<u>\$150,000</u>	<u>.....</u>	<u>2023</u>

Subd. 6. **Basic system support.** For basic system support aid under Minnesota Statutes, section 134.355:

<u>\$15,370,000</u>	.....	<u>2022</u>
<u>\$15,570,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$1,357,000 for 2021 and \$14,013,000 for 2022.

The 2023 appropriation includes \$1,557,000 for 2022 and \$14,013,000 for 2023.

Subd. 7. **Multicounty, multitype library systems.** For aid under Minnesota Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

<u>\$1,300,000</u>	.....	<u>2022</u>
<u>\$1,300,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$130,000 for 2021 and \$1,170,000 for 2022.

The 2023 appropriation includes \$130,000 for 2022 and \$1,170,000 for 2023.

Subd. 8. **Electronic library for Minnesota.** For statewide licenses to online databases selected in cooperation with the Minnesota Office of Higher Education for school media centers, public libraries, state government agency libraries, and public or private college or university libraries:

<u>\$900,000</u>	.....	<u>2022</u>
<u>\$900,000</u>	.....	<u>2023</u>

Subd. 9. **Regional library telecommunications.** For regional library telecommunications aid under Minnesota Statutes, section 134.355:

<u>\$2,300,000</u>	.....	<u>2022</u>
<u>\$2,300,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$230,000 for 2021 and \$2,070,000 for 2022.

The 2023 appropriation includes \$230,000 for 2022 and \$2,070,000 for 2023.

ARTICLE 9 COMMUNITY EDUCATION AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2020, section 124D.531, subdivision 1, is amended to read:

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year ~~2011~~ 2022 equals ~~\$44,419,000~~ \$51,781,000, plus any amount that is not paid during the previous fiscal year as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later fiscal years equals:

(1) the state total adult basic education aid for the preceding fiscal year plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

(2) the lesser of 1.03, or the greater of:

(i) ~~1.03 one plus the percent change in the formula allowance under section 126C.10, subdivision 2, from the previous fiscal year to the current fiscal year;~~ or

(ii) the average growth in state total contact hours over the prior ten program years.

Three percent of the state total adult basic education aid must be set aside for adult basic education supplemental service grants under section 124D.522.

(b) The state total adult basic education aid, excluding basic population aid, equals the difference between the amount computed in paragraph (a), and the state total basic population aid under subdivision 2.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and later.

Sec. 2. Minnesota Statutes 2020, section 124D.55, is amended to read:

124D.55 COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.

~~(a) The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of the commissioner selected high school equivalency tests, but not more than \$40 for an eligible individual.~~

~~(b) Notwithstanding paragraph (a), for fiscal years 2020 and 2021 only,~~ The commissioner shall pay 100 percent of the fee charged to an eligible individual for the full battery of the commissioner-selected high school equivalency tests, but not more than the cost of one full battery of tests per year for any individual.

Sec. 3. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balances in the first year do not cancel but are available in the second year.

Subd. 2. **Community education aid.** For community education aid under Minnesota Statutes, section 124D.20:

<u>\$180,000</u>	<u>.....</u>	<u>2022</u>
<u>\$155,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$22,000 for 2021 and \$158,000 for 2022.

The 2023 appropriation includes \$17,000 for 2022 and \$138,000 for 2023.

Subd. 3. **Adults with disabilities program aid.** For adults with disabilities programs under Minnesota Statutes, section 124D.56:

<u>\$710,000</u>	<u>.....</u>	<u>2022</u>
<u>\$710,000</u>	<u>.....</u>	<u>2023</u>

The 2022 appropriation includes \$71,000 for 2021 and \$639,000 for 2022.

The 2023 appropriation includes \$71,000 for 2022 and \$639,000 for 2023.

Subd. 4. **Hearing-impaired adults.** For programs for hearing-impaired adults under Minnesota Statutes, section 124D.57:

<u>\$70,000</u>	.....	<u>2022</u>
<u>\$70,000</u>	.....	<u>2023</u>

Subd. 5. **School-age care aid.** For school-age care aid under Minnesota Statutes, section 124D.22:

<u>\$1,000</u>	.....	<u>2022</u>
<u>\$1,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$0 for 2021 and \$1,000 for 2022.

The 2023 appropriation includes \$0 for 2022 and \$1,000 for 2023.

Subd. 6. **Tier 1 grants.** (a) For education partnership program Tier 1 sustaining grants under Minnesota Statutes, section 124D.99:

<u>\$3,580,000</u>	.....	<u>2022</u>
<u>\$3,580,000</u>	.....	<u>2023</u>

(b) Of the amounts in paragraph (a), \$1,790,000 each year is for the Northside Achievement Zone and \$1,790,000 each year is for the St. Paul Promise Neighborhood.

(c) Any balance in the first year does not cancel but is available in the second year.

Subd. 7. **Tier 2 implementing grants.** (a) For Tier 2 implementing grants under Minnesota Statutes, section 124D.99:

<u>\$1,500,000</u>	.....	<u>2022</u>
<u>\$1,500,000</u>	.....	<u>2023</u>

(b) Of the amounts in paragraph (a), \$250,000 each year is for each of the following programs:

(1) the Northfield Healthy Community Initiative in Northfield;

(2) the Jones Family Foundation for the Every Hand Joined program in Red Wing;

(3) the United Way of Central Minnesota for the Partners for Student Success program;

(4) Austin Aspires;

(5) Rochester Area Foundation as fiscal host for the Cradle 2 Career program; and

(6) Generation Next.

(c) Any balance in the first year does not cancel but is available in the second year.

(d) The 2024 base amount for each recipient listed in paragraph (b) is \$250,000.

Subd. 8. **Adult basic education aid.** For adult basic education aid under Minnesota Statutes, section 124D.531:

<u>\$53,191,000</u>	.....	<u>2022</u>
<u>\$54,768,000</u>	.....	<u>2023</u>

The 2022 appropriation includes \$5,177,000 for 2021 and \$48,014,000 for 2022.

The 2023 appropriation includes \$5,334,000 for 2022 and \$49,434,000 for 2023.

Subd. 9. **High school equivalency tests.** For payment of the costs of the commissioner-selected high school equivalency tests under Minnesota Statutes, section 124D.55:

<u>\$250,000</u>	.....	<u>2022</u>
<u>\$250,000</u>	.....	<u>2023</u>

Subd. 10. **Additional Early Childhood Family Education aid.** (a) For additional Early Childhood Family Education aid under Minnesota Statutes, section 124D.135:

<u>\$608,000</u>	.....	<u>2022</u>
<u>\$1,294,000</u>	.....	<u>2023</u>

(b) These amounts are in addition to any other appropriation for this purpose.

Subd. 11. **Additional kindergarten readiness assessment.** (a) For the kindergarten readiness assessment under Minnesota Statutes, section 124D.162:

<u>\$735,000</u>	.....	<u>2022</u>
<u>\$504,000</u>	.....	<u>2023</u>

(b) These amounts are in addition to any other appropriation for this purpose.

(c) The amounts added to the base for this program are \$704,000 in fiscal year 2024 and \$504,000 in fiscal year 2025.

ARTICLE 10 STATE AGENCIES

Section 1. Minnesota Statutes 2020, section 122A.07, subdivision 1, is amended to read:

Subdivision 1. **Appointment of members.** The Professional Educator Licensing and Standards Board consists of ~~44~~ 13 members appointed by the governor, with the advice and consent of the senate. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements are as provided in sections 214.07 to 214.09. ~~No member may be reappointed for more than one additional term.~~ A member must not serve more than two consecutive terms.

Sec. 2. Minnesota Statutes 2020, section 122A.07, subdivision 2, is amended to read:

Subd. 2. **Eligibility; board composition.** Each ~~nominee~~ appointee, other than a public nominee, must be selected on the basis of professional experience and knowledge of teacher education, accreditation, and licensure. The board must be composed of:

(1) ~~six~~ seven teachers who are currently teaching in a Minnesota school ~~or who were teaching at the time of the appointment~~, have at least five years of teaching experience, and ~~were~~ are not serving in ~~an administrative function at a school district or school when appointed~~ a position requiring an administrative license, pursuant to section 122A.14. The ~~six~~ seven teachers must include the following:

(i) one teacher in a charter school;

(ii) one teacher from a school located in the seven-county metropolitan area, as defined in section 473.121, subdivision 2;

(iii) one teacher from a school located outside the seven-county metropolitan area;

(iv) one teacher from a related service category licensed by the board;

(v) one special education teacher; and

(vi) ~~one teacher from a teacher preparation program~~ two teachers licensed in licensure areas that represent current or emerging trends in education;

(2) one educator currently teaching in a Minnesota-approved teacher preparation program;

~~(2)~~ (3) one superintendent that alternates, alternating each term between a superintendent from a school district in the seven-county metropolitan area, as defined in section 473.121, subdivision 2, and a superintendent from a school district outside the metropolitan area;

~~(3)~~ (4) one school district human resources director;

~~(4)~~ (5) one administrator of a cooperative unit under section 123A.24, subdivision 2, who oversees a special education program and who works closely with a cooperative unit under section 123A.24, subdivision 2;

~~(5)~~ (6) one principal that alternates, alternating each term between an elementary and a secondary school principal; and

~~(6)~~ (7) one member of the public that may be a current or former school board member.

Sec. 3. Minnesota Statutes 2020, section 122A.07, subdivision 4a, is amended to read:

Subd. 4a. **Administration.** (a) The executive director of the board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director shall maintain the records of the board, account for all fees received by the board, supervise and direct employees servicing the board, and perform other services as directed by the board.

(b) The Department of Administration must provide administrative support in accordance with section 16B.371. The commissioner of administration must assess the board for services it provides under this section.

~~(c) The Department of Education must provide suitable offices and other space to the board at reasonable cost until January 1, 2020. Thereafter, the board may contract with either the Department of Education or the Department of Administration for the provision of suitable offices and other space, joint conference and hearing facilities, and examination rooms.~~

Sec. 4. Minnesota Statutes 2020, section 122A.09, subdivision 4, is amended to read:

Subd. 4. **Licensing.** (a) The Professional Educator Licensing and Standards Board must license teachers, as defined in section 122A.15, subdivision 1, except for supervisory personnel, as defined in section 122A.15, subdivision 2. The board must not delegate its authority to make all licensing decisions with respect to candidates for teacher licensure. The board must evaluate candidates for compliance with statutory or rule requirements for licensure and develop licensure verification requirements.

(b) The Professional Educator Licensing and Standards Board must approve teacher preparation providers seeking to prepare candidates for teacher licensure in Minnesota.

Sec. 5. Minnesota Statutes 2020, section 122A.09, subdivision 6, is amended to read:

Subd. 6. **Register of persons licensed.** ~~The executive director of the Professional Educator Licensing and Standards Board must keep a record of the proceedings of and a register of all persons licensed pursuant to the provisions of this chapter. The register must show the name, address, licenses and permissions held including renewals, and license number and the renewal of the license. The board must on July 1, of each year or as soon thereafter as is practicable, compile a list of such duly licensed teachers. A copy of the register~~ This list must be available ~~during business hours at the office of the board to any interested person~~ on the board's website.

Sec. 6. Minnesota Statutes 2020, section 122A.09, subdivision 9, is amended to read:

Subd. 9. **Professional Educator Licensing and Standards Board must adopt and revise rules.** (a) The Professional Educator Licensing and Standards Board must adopt and revise rules subject to the provisions of chapter 14 to implement sections 120B.363, 122A.05 to 122A.09, ~~122A.092~~ 122A.094, 122A.16, 122A.17, 122A.18, 122A.181, 122A.182, 122A.183, 122A.184, 122A.185, 122A.187, 122A.188, 122A.19, 122A.20, 122A.21, 122A.23, 122A.26, 122A.28, and 122A.29.

(b) The board must adopt and revise rules relating to fields of licensure and grade levels that a licensed teacher may teach, including a process for granting permission to a licensed teacher to teach in a field that is different from the teacher's field of licensure without change to the teacher's license tier level.

~~(c) The board must adopt rules relating to the grade levels that a licensed teacher may teach.~~

~~(d)~~ (c) If a rule adopted by the board is in conflict with a session law or statute, the law or statute prevails. Terms adopted in rule must be clearly defined and must not be construed to conflict with terms adopted in statute or session law.

~~(e)~~ (d) The board must include a description of a proposed rule's probable effect on teacher supply and demand in the board's statement of need and reasonableness under section 14.131.

~~(f)~~ (e) The board must adopt rules only under the specific statutory authority.

Sec. 7. Minnesota Statutes 2020, section 122A.09, subdivision 10, is amended to read:

Subd. 10. **Permissions.** (a) Notwithstanding subdivision 9 and sections 14.055 and 14.056, the Professional Educator Licensing and Standards Board may grant waivers to its rules upon application by a school district or a charter school for purposes of implementing experimental programs in learning or management.

(b) To enable a school district or a charter school to meet the needs of students enrolled in an alternative education program and to enable licensed teachers instructing those students to satisfy content area licensure requirements, the Professional Educator Licensing and Standards Board ~~annually~~ may permit a licensed teacher teaching in an alternative education program to instruct students in a content area for which the teacher is not licensed, consistent with paragraph (a).

(c) A special education license permission issued by the Professional Educator Licensing and Standards Board for a primary employer's low-incidence region is valid in all low-incidence regions.

(d) A candidate that has obtained career and technical education certification may apply for a Tier 1 license under section 122A.181. Consistent with section 136F.361, the Professional Educator Licensing and Standards Board must strongly encourage approved college or university-based teacher preparation programs throughout Minnesota to develop alternative pathways for certifying and licensing high school career and technical education instructors and teachers, allowing such candidates to meet certification and licensure standards that demonstrate their content knowledge, classroom experience, and pedagogical practices and their qualifications based on a combination of occupational testing, professional certification or licensure, and long-standing work experience.

Sec. 8. Minnesota Statutes 2020, section 122A.091, subdivision 1, is amended to read:

Subdivision 1. **Teacher and administrator preparation and performance data; report.** (a) The Professional Educator Licensing and Standards Board and the Board of School Administrators, in cooperation with ~~board-adopted~~ board-approved teacher or administrator preparation programs, annually must collect and report summary data on teacher and administrator preparation and performance outcomes, consistent with this subdivision. The Professional Educator Licensing and Standards Board and the Board of School Administrators annually by ~~June~~ July 1 must update and post the reported summary preparation and performance data on teachers and administrators from the preceding school years on a ~~website hosted jointly by the boards~~ their respective websites.

(b) Publicly reported summary data on teacher preparation ~~programs~~ providers must include:

~~(1) student entrance requirements for each Professional Educator Licensing and Standards Board approved program, including grade point average for enrolling students in the preceding year;~~

~~(2) the average board-adopted skills examination or ACT or SAT scores of students entering the program in the preceding year;~~

~~(3) (1) summary data on faculty all full-time, part-time, and adjunct teacher educator qualifications, including at least the content areas of faculty teacher educator undergraduate and graduate degrees and their years of experience either as kindergarten birth through grade 12 classroom teachers or school administrators;~~

~~(4) the average time resident and nonresident program graduates in the preceding year needed to complete the program;~~

(2) the current number and percentage of enrolled candidates who entered the program through a transfer pathway disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

~~(5) (3) the current number and percentage of students program completers by program who graduated, received a standard Minnesota teaching license, and Tier 3 or Tier 4 license disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;~~

(4) the current number and percentage of program completers who entered the program through a transfer pathway and received a Tier 3 or Tier 4 license disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(5) the current number and percentage of program completers who were hired to teach full time in their licensure field in a Minnesota district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

~~(6) the number of content area credits and other credits by undergraduate program that students in the preceding school year needed to complete to graduate;~~ the current number and percentage of program completers who entered the program through a transfer pathway and who were hired to teach full time in their licensure field in a Minnesota district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

~~(7) students' pass rates on skills pedagogy and subject matter exams required for graduation in each program and licensure area for program completers in the preceding school year;~~

~~(8) survey results measuring student and graduate satisfaction with the program~~ how prepared program completers felt during their first year of teaching in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

~~(9) a standard measure of the satisfaction of survey results from school principals or supervising teachers with the student teachers assigned to a school or supervising teacher~~ supervisors on how prepared they felt their first-year teachers were in the preceding school year; and

~~(10) information under subdivision 3, paragraphs (a) and (b)~~ the number and percentage of program completers who met or exceed the state threshold score on the board-adopted teacher performance assessment.

Program reporting must be consistent with subdivision 2.

(c) Publicly reported summary data on administrator preparation programs approved by the Board of School Administrators must include:

(1) summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and the years of experience either as kindergarten through grade 12 classroom teachers or school administrators;

(2) the average time program graduates in the preceding year needed to complete the program;

(3) the current number and percentage of students who graduated, received a standard Minnesota administrator license, and were employed as an administrator in a Minnesota school district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(4) the number of credits by graduate program that students in the preceding school year needed to complete to graduate;

(5) survey results measuring student, graduate, and employer satisfaction with the program in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual; and

(6) information under subdivision 3, paragraphs (c) and (d).

Program reporting must be consistent with section 122A.14, subdivision 10.

Sec. 9. Minnesota Statutes 2020, section 122A.091, subdivision 2, is amended to read:

Subd. 2. **Teacher preparation program reporting.** (a) By December 31, 2018, and annually thereafter, the Professional Educator Licensing and Standards Board shall report and publish on its website the cumulative summary results of at least three consecutive years of data reported to the board under subdivision 1, paragraph (b). Where the data are sufficient to yield statistically reliable information and the results would not reveal personally identifiable information about an individual teacher, the board shall report the data by teacher preparation program.

(b) The Professional Educator Licensing and Standards Board must report annually to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education, the following information:

(1) the total number of teacher candidates during the most recent school year taking a board-adopted skills examination;

(2) the number who achieve a qualifying score on the examination;

(3) the number who do not achieve a qualifying score on the examination; and

(4) the number of candidates who have not passed a content or pedagogy exam.

The information reported under this paragraph must be disaggregated by categories of race, ethnicity, and if applicable, eligibility for financial aid. The report must be submitted in accordance with section 3.195.

Sec. 10. Minnesota Statutes 2020, section 122A.21, is amended to read:

122A.21 TEACHERS' AND ADMINISTRATORS' LICENSES; FEES.

Subdivision 1. **Licensure applications.** Each applicant submitting an application to the Professional Educator Licensing and Standards Board to issue, renew, or extend a teaching license, including applications for licensure via portfolio under subdivision 4, must include a processing fee of ~~\$57~~ \$85. The processing fee for a teacher's license and for the licenses of supervisory personnel must be paid to the executive ~~secretary~~ director of the appropriate board and deposited in the state treasury. The fees as set by the board are nonrefundable for applicants not qualifying for a license. However, the commissioner of management and budget must refund a fee in any case in which the applicant already holds a valid unexpired license. The board may waive or reduce fees for applicants who apply at the same time for more than one license.

Subd. 4. **Licensure via portfolio.** ~~A candidate~~ An applicant must pay to the Professional Educator Licensing and Standards Board a \$300 fee for ~~the first~~ a pedagogical portfolio submitted for review and a \$200 fee for ~~any portfolio submitted subsequently~~ each content portfolio. The Professional Educator Licensing and Standards Board executive ~~secretary~~ director must deposit the fee in the education licensure portfolio account in the special revenue fund. The fees are nonrefundable for applicants not qualifying for a license. The Professional Educator Licensing and Standards Board may waive or reduce fees for ~~candidates~~ applicants based on financial need.

Subd. 5. **Online licensing system and fees.** (a) The Professional Educator Licensing and Standards Board executive director may charge applicants using the online licensing system an \$8 fee per license. The fees are nonrefundable.

(b) An educator licensing technology account is established in the special revenue fund.

(c) The Professional Educator Licensing and Standards Board executive director must deposit the fees for using the online licensing system into the educator licensing technology account in the special revenue fund. Funds do not cancel and are available until spent.

(d) The Professional Educator Licensing and Standards Board executive director may use funds in the educator licensing technology account for information technology projects, services, and support.

Sec. 11. **[127A.20] EVIDENCE-BASED EDUCATION GRANTS.**

Subdivision 1. **Purpose; applicability.** The purpose of this section is to create a process to describe, measure, and report on the effectiveness of any prekindergarten through grade 12 education program funded in whole or in part through funds appropriated by the legislature to the commissioner of education for grants to organizations. The evidence-based evaluation required by this section applies to all grants awarded by the commissioner of education on or after July 1, 2022.

Subd. 2. **Goals.** Each applicant for a grant awarded by the commissioner of education must include in the grant application a statement of the goals of the education program and grant funds. To the extent practicable, the goals must be aligned to the state of Minnesota's world's best workforce and the federally required Every Student Succeeds Act accountability systems.

Subd. 3. **Strategies; data.** Each applicant must include in the grant application a description of the strategies that will be used to meet the goals specified in the application. The applicant must also include a plan to collect data to measure the effectiveness of the strategies outlined in the grant application.

Subd. 4. **Reporting.** Within 180 days of the end of the grant period, each grant recipient must compile a report that describes the data that was collected and evaluate the effectiveness of the strategies. The evidence-based report may identify or propose alternative strategies based on the results of the data. The report must be submitted to the commissioner of education and to the chairs and ranking minority members of the legislative committees with jurisdiction over prekindergarten through grade 12 education. The report must be filed with the Legislative Reference Library according to section 3.195.

Subd. 5. **Grant defined.** For purposes of this section, "grant" means money appropriated from the state general fund to the commissioner of education for distribution to the grant recipients.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 12. Minnesota Statutes 2020, section 609A.03, subdivision 7a, is amended to read:

Subd. 7a. **Limitations of order effective January 1, 2015, and later.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105 shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) except as provided in clause (2), an expunged record may be opened, used, or exchanged between criminal justice agencies without a court order for the purposes of initiating, furthering, or completing a criminal investigation or prosecution or for sentencing purposes or providing probation or other correctional services;

(2) when a criminal justice agency seeks access to a record that was sealed under section 609A.02, subdivision 3, paragraph (a), clause (1), after an acquittal or a court order dismissing for lack of probable cause, for purposes of a criminal investigation, prosecution, or sentencing, the requesting agency must obtain an ex parte court order after stating a good-faith basis to believe that opening the record may lead to relevant information;

(3) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order;

(4) an expunged record of a conviction may be opened for purposes of a background study under section 245C.08 unless the commissioner had been properly served with notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner of human services;

(5) an expunged record of a conviction may be opened for purposes of a background check required under section 122A.18, subdivision 8, unless the court order for expungement is directed specifically to the Professional Educator Licensing and Standards Board ~~or the licensing division of the Department of Education~~; and

(6) the court may order an expunged record opened upon request by the victim of the underlying offense if the court determines that the record is substantially related to a matter for which the victim is before the court.

(c) An agency or jurisdiction subject to an expungement order shall maintain the record in a manner that provides access to the record by a criminal justice agency under paragraph (b), clause (1) or (2), but notifies the recipient that the record has been sealed. The Bureau of Criminal Apprehension shall notify the commissioner of human services, ~~or the Professional Educator Licensing and Standards Board, or the licensing division of the Department of Education~~ of the existence of a sealed record and of the right to obtain access under paragraph (b), clause (4) or (5). Upon request, the agency or jurisdiction subject to the expungement order shall provide access to the record to the commissioner of human services, ~~or the Professional Educator Licensing and Standards Board, or the licensing division of the Department of Education~~ under paragraph (b), clause (4) or (5).

(d) An expunged record that is opened or exchanged under this subdivision remains subject to the expungement order in the hands of the person receiving the record.

(e) A criminal justice agency that receives an expunged record under paragraph (b), clause (1) or (2), must maintain and store the record in a manner that restricts the use of the record to the investigation, prosecution, or sentencing for which it was obtained.

(f) For purposes of this section, a "criminal justice agency" means a court or government agency that performs the administration of criminal justice under statutory authority.

(g) This subdivision applies to expungement orders subject to its limitations and effective on or after January 1, 2015.

Sec. 13. Laws 2019, First Special Session chapter 11, article 10, section 5, subdivision 2, as amended by Laws 2020, chapter 116, article 5, section 4, is amended to read:

Subd. 2. **Department.** (a) For the Department of Education:

\$29,196,000	.....	2020
\$24,911,000	.....	2021

Of these amounts:

- (1) \$319,000 each year is for the Board of School Administrators;
- (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes, section 120B.115;
- (3) \$250,000 each year is for the School Finance Division to enhance financial data analysis;

(4) \$720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

(5) \$123,000 each year is for a dyslexia specialist;

(6) \$4,700,000 in fiscal year 2020 only is for legal fees and costs associated with litigation; and

(7) \$400,000 in fiscal year 2020 and \$480,000 in fiscal year 2021 and later are for the Department of Education's mainframe update.

(b) None of the amounts appropriated under this subdivision may be used for Minnesota's Washington, D.C. office.

(c) The expenditures of federal grants and aids as shown in the biennial budget document and its supplements are approved and appropriated and shall be spent as indicated.

(d) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Education under the rates and mechanism specified in that agreement.

(e) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (a), the base for fiscal year 2022 is \$24,591,000. The base for fiscal year 2023 is \$24,611,000. The base for fiscal year 2024 is \$24,629,000.

(f) On the effective date of this act, the commissioner of the Department of Education must cancel to the general fund \$2,000,000 from the fiscal year 2020 general fund appropriations for legal fees and costs associated with litigation.

(g) On the effective date of this act, the commissioner of the Department of Education must cancel to the general fund \$1,252,000 from the fiscal year 2021 general fund appropriations for agency operations.

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

Sec. 14. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

Subdivision 1. Department of Education. Unless otherwise indicated, the sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balance in the first year does not cancel but is available in the second year.

Subd. 2. Department. (a) For the Department of Education:

<u>\$36,684,000</u>	.....	<u>2022</u>
<u>\$33,099,000</u>	.....	<u>2023</u>

Of these amounts:

(1) \$319,000 each year is for the Board of School Administrators;

(2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes, section 120B.115;

(3) \$250,000 each year is for the School Finance Division to enhance financial data analysis;

(4) \$720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

(5) \$123,000 each year is for a dyslexia specialist;

(6) \$480,000 each year is for the Department of Education's mainframe update;

(7) \$4,500,000 in fiscal year 2022 only is for legal fees and costs associated with litigation;

(8) \$455,000 in fiscal year 2022 and \$865,000 in fiscal year 2023 are for data analytics for the state count of American Indian children. The base for this program is \$510,000 in fiscal year 2024, \$355,000 in fiscal year 2025, and \$133,000 in fiscal year 2026 and later;

(9) \$3,279,000 in fiscal year 2022 and \$3,384,000 in fiscal year 2023 are for modernizing district data submission to support students and educators. The base for this program is \$3,252,000 in fiscal year 2024 and beyond;

(10) \$340,000 in fiscal year 2022 and \$340,000 in fiscal year 2023 are for voluntary prekindergarten programs;

(11) \$3,000,000 each year is for translation services of which \$2,000,000 each year is for grants to support school districts and charter schools with translation services; and

(12) \$144,000 in fiscal year 2022 and \$148,000 in fiscal year 2023 are for incorporating ethnic studies into the curriculum standards.

(b) None of the amounts appropriated under this subdivision may be used for Minnesota's Washington, D.C., office.

(c) The expenditures of federal grants and aids as shown in the biennial budget document and its supplements are approved and appropriated and must be spent as indicated.

(d) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Education under the rates and mechanisms specified in that agreement.

(e) Eligible grantees for funds for translation services under clause (11) only include school districts, charter schools, intermediate school districts, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

(f) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (a), the base for fiscal year 2024 is \$32,630,000 and the base for fiscal year 2025 is \$32,475,000.

Sec. 15. APPROPRIATIONS; MINNESOTA STATE ACADEMIES.

(a) The sums indicated in this section are appropriated from the general fund to the Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

<u>\$14,056,000</u>	<u>.....</u>	<u>2022</u>
<u>\$14,317,000</u>	<u>.....</u>	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

(c) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (b), the base for fiscal year 2024 is \$14,323,000.

Sec. 16. APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.

(a) The sums in this section are appropriated from the general fund to the Perpich Center for Arts Education for the fiscal years designated:

<u>\$7,406,000</u>	.....	<u>2022</u>
<u>\$7,527,000</u>	.....	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

(c) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (c), the base for fiscal year 2024 is \$7,532,000.

Sec. 17. APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.

Subdivision 1. **Professional Educator Licensing and Standards Board.** (a) The sums indicated in this section are appropriated from the general fund to the Professional Educator Licensing and Standards Board for the fiscal years designated:

<u>\$2,856,000</u>	.....	<u>2022</u>
<u>\$2,843,000</u>	.....	<u>2023</u>

(b) Any balance in the first year does not cancel but is available in the second year.

(c) This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into an interagency agreement and will be paid to the Office of MN.IT Services by the Professional Educator Licensing and Standards Board under the mechanism specified in that agreement.

Subd. 2. **Licensure by portfolio.** For licensure by portfolio:

<u>\$34,000</u>	.....	<u>2022</u>
<u>\$34,000</u>	.....	<u>2023</u>

This appropriation is from the education licensure portfolio account in the special revenue fund.

ARTICLE 11
FORECAST ADJUSTMENTS

Section 1. Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 2, is amended to read:

Subd. 3. **Enrollment options transportation.** For transportation of pupils attending postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

\$19,000	.....	2020
\$ 20,000 <u>11,000</u>	.....	2021

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

Sec. 2. Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 4, as amended by Laws 2020, chapter 116, article 6, section 3, is amended to read:

Subd. 4. **Abatement aid.** For abatement aid under Minnesota Statutes, section 127A.49:

\$1,770,000	.....	2020
\$ 2,827,000 <u>2,595,000</u>	.....	2021

The 2020 appropriation includes \$274,000 for 2019 and \$1,496,000 for 2020.

The 2021 appropriation includes \$166,000 for 2020 and ~~\$2,661,000~~ \$2,429,000 for 2021.

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

Sec. 3. Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 6, as amended by Laws 2020, chapter 116, article 6, section 4, is amended to read:

Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

\$17,925,000	.....	2020
\$ 18,917,000 <u>18,918,000</u>	.....	2021

The 2020 appropriation includes \$1,806,000 for 2019 and \$16,119,000 for 2020.

The 2021 appropriation includes \$1,790,000 for 2020 and ~~\$17,127,000~~ \$17,128,000 for 2021.

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

Sec. 4. Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 7, as amended by Laws 2020, chapter 116, article 6, section 5, is amended to read:

Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under Minnesota Statutes, section 123B.92, subdivision 9:

\$19,168,000	.....	2020
\$ 20,100,000 <u>19,106,000</u>	.....	2021

The 2020 appropriation includes \$1,961,000 for 2019 and \$17,207,000 for 2020.

The 2021 appropriation includes \$1,911,000 for 2020 and ~~\$18,189,000~~ \$17,195,000 for 2021.

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

Sec. 5. Laws 2019, First Special Session chapter 11, article 1, section 25, subdivision 9, as amended by Laws 2020, chapter 116, article 6, section 6, is amended to read:

Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota Statutes, section 124D.4531, subdivision 1b:

\$3,857,000	.....	2020
\$ 3,433,000 <u>3,288,000</u>	.....	2021

The 2020 appropriation includes \$422,000 for 2019 and \$3,435,000 for 2020.

The 2021 appropriation includes \$378,000 for 2020 and ~~\$3,055,000~~ \$2,910,000 for 2021.

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

Sec. 6. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 2, as amended by Laws 2020, chapter 116, article 3, section 2, is amended to read:

Subd. 2. **Achievement and integration aid.** For achievement and integration aid under Minnesota Statutes, section 124D.862:

\$77,247,000	.....	2020
\$ 81,233,000 <u>87,574,000</u>	.....	2021

The 2020 appropriation includes \$7,058,000 for 2019 and \$70,189,000 for 2020.

The 2021 appropriation includes \$7,763,000 for 2020 and ~~\$73,470,000~~ \$79,811,000 for 2021.

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

Sec. 7. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 7, is amended to read:

Subd. 3. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

\$14,231,000	.....	2020
\$ 14,962,000 <u>15,670,000</u>	.....	2021

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

Sec. 8. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 6, as amended by Laws 2020, chapter 116, article 6, section 10, is amended to read:

Subd. 6. **American Indian education aid.** For American Indian education aid under Minnesota Statutes, section 124D.81, subdivision 2a:

\$10,113,000	.....	2020
\$ 10,696,000 <u>10,939,000</u>	.....	2021

The 2020 appropriation includes \$960,000 for 2019 and \$9,153,000 for 2020.

The 2021 appropriation includes \$1,016,000 for 2020 and ~~\$9,680,000~~ \$9,923,000 for 2021.

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

Sec. 9. Laws 2019, First Special Session chapter 11, article 2, section 33, subdivision 16, as amended by Laws 2020, chapter 116, article 6, section 11, is amended to read:

Subd. 16. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124E.22:

\$83,214,000	.....	2020
\$ 88,454,000 <u>85,916,000</u>	.....	2021

The 2020 appropriation includes \$8,021,000 for 2019 and \$75,193,000 for 2020.

The 2021 appropriation includes \$8,354,000 for 2020 and ~~\$80,100,000~~ \$77,562,000 for 2021.

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

Sec. 10. Laws 2019, First Special Session chapter 11, article 3, section 23, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 12, is amended to read:

Subd. 3. **Alternative teacher compensation aid.** (a) For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

\$89,166,000	.....	2020
\$ 88,851,000 <u>88,788,000</u>	.....	2021

(b) The 2020 appropriation includes \$8,974,000 for 2019 and \$80,192,000 for 2020.

(c) The 2021 appropriation includes \$8,887,000 for 2020 and ~~\$79,964,000~~ \$79,901,000 for 2021.

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

Sec. 11. Laws 2019, First Special Session chapter 11, article 4, section 11, subdivision 2, as amended by Laws 2020, chapter 116, article 6, section 13, is amended to read:

Subd. 2. **Special education; regular.** For special education aid under Minnesota Statutes, section 125A.75:

\$1,600,889,000	.....	2020
\$ 1,747,701,000 <u>1,727,596,000</u>	.....	2021

The 2020 appropriation includes \$184,363,000 for 2019 and \$1,416,526,000 for 2020.

The 2021 appropriation includes \$199,406,000 for 2020 and ~~\$1,548,295,000~~ \$1,528,190,000 for 2021.

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

Sec. 12. Laws 2019, First Special Session chapter 11, article 4, section 11, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 14, is amended to read:

Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

\$1,109,000	.....	2020
\$ 1,267,000 <u>1,644,000</u>	.....	2021

If the appropriation for either year is insufficient, the appropriation for the other year is available.

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

Sec. 13. Laws 2019, First Special Session chapter 11, article 4, section 11, subdivision 4, as amended by Laws 2020, chapter 116, article 6, section 15, is amended to read:

Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

\$445,000	.....	2020
\$ 467,000 <u>254,000</u>	.....	2021

The 2020 appropriation includes \$40,000 for 2019 and \$405,000 for 2020.

The 2021 appropriation includes \$44,000 for 2020 and ~~\$423,000~~ \$210,000 for 2021.

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

Sec. 14. Laws 2019, First Special Session chapter 11, article 4, section 11, subdivision 5, as amended by Laws 2020, chapter 116, article 6, section 16, is amended to read:

Subd. 5. **Court-placed special education revenue.** For reimbursing serving school districts for unreimbursed eligible expenditures attributable to children placed in the serving school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

\$-0-	.....	2020
\$ 23,000 <u>-0-</u>	.....	2021

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

Sec. 15. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2, as amended by Laws 2020, chapter 116, article 6, section 17, and Laws 2020, Fifth Special Session chapter 3, article 5, section 36, is amended to read:

Subd. 2. **Debt service equalization aid.** For debt service equalization aid under Minnesota Statutes, section 123B.53, subdivision 6:

\$20,684,000	.....	2020
\$ 25,380,000 <u>25,335,000</u>	.....	2021

The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

The 2021 appropriation includes \$2,043,000 for 2020 and ~~\$23,337,000~~ \$23,292,000 for 2021.

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

Sec. 16. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 18, is amended to read:

Subd. 3. **Long-term facilities maintenance equalized aid.** For long-term facilities maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

\$104,690,000	.....	2020
\$ 107,820,000 <u>106,356,000</u>	.....	2021

The 2020 appropriation includes \$10,464,000 for 2019 and \$94,226,000 for 2020.

The 2021 appropriation includes \$10,412,000 for 2020 and ~~\$97,408,000~~ \$95,944,000 for 2021.

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

Sec. 17. Laws 2019, First Special Session chapter 11, article 7, section 1, subdivision 2, as amended by Laws 2020, chapter 116, article 6, section 20, is amended to read:

Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

\$16,245,000	.....	2020
\$ 16,514,000 <u>4,796,000</u>	.....	2021

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

Sec. 18. Laws 2019, First Special Session chapter 11, article 7, section 1, subdivision 3, as amended by Laws 2020, chapter 116, article 6, section 21, is amended to read:

Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes, section 124D.1158:

\$11,428,000	.....	2020
\$ 11,846,000 <u>3,242,000</u>	.....	2021

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

Sec. 19. Laws 2019, First Special Session chapter 11, article 7, section 1, subdivision 4, as amended by Laws 2020, chapter 116, article 6, section 22, is amended to read:

Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes, section 124D.118:

\$658,000	.....	2020
\$ 658,000 <u>494,000</u>	.....	2021

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

Sec. 20. Laws 2019, First Special Session chapter 11, article 8, section 13, subdivision 5, as amended by Laws 2020, chapter 116, article 6, section 23, is amended to read:

Subd. 5. **Early childhood family education aid.** (a) For early childhood family education aid under Minnesota Statutes, section 124D.135:

\$32,151,000	.....	2020
\$ 33,540,000 <u>33,204,000</u>	.....	2021

(b) The 2020 appropriation includes \$3,098,000 for 2019 and \$29,053,000 for 2020.

(c) The 2021 appropriation includes \$3,133,000 for 2020 and ~~\$30,407,000~~ \$30,071,000 for 2021.

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

Sec. 21. Laws 2019, First Special Session chapter 11, article 8, section 13, subdivision 14, as amended by Laws 2020, chapter 116, article 6, section 24, is amended to read:

Subd. 14. **Home visiting aid.** (a) For home visiting aid under Minnesota Statutes, section 124D.135:

\$521,000	.....	2020
\$ 528,000 <u>481,000</u>	.....	2021

(b) The 2020 appropriation includes \$54,000 for 2019 and \$467,000 for 2020.

(c) The 2021 appropriation includes \$51,000 for 2020 and ~~\$477,000~~ \$430,000 for 2021.

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

Sec. 22. Laws 2019, First Special Session chapter 11, article 9, section 3, subdivision 2, as amended by Laws 2020, chapter 116, article 6, section 25, is amended to read:

Subd. 2. **Community education aid.** For community education aid under Minnesota Statutes, section 124D.20:

\$327,000	.....	2020
\$ 249,000 <u>236,000</u>	.....	2021

The 2020 appropriation includes \$40,000 for 2019 and \$287,000 for 2020.

The 2021 appropriation includes \$31,000 for 2020 and ~~\$218,000~~ \$205,000 for 2021.

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

Delete the title and insert:

"A bill for an act relating to education finance; providing funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, teachers, charter schools, special education, health and safety, facilities, nutrition and libraries, community education, and state agencies; making forecast adjustments; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 13.32, subdivision 3; 120A.22, subdivisions 7, 9, 10; 120A.35; 120A.40; 120B.02, subdivision 1; 120B.021, subdivisions 1, 2, 3, 4; 120B.024, subdivision 1; 120B.11, subdivisions 1, 1a, 2, 3; 120B.132; 120B.15; 120B.21; 120B.30,

subdivision 1a, by adding subdivisions; 120B.35, subdivisions 3, 4; 121A.031, subdivisions 5, 6; 121A.41, subdivision 10, by adding subdivisions; 121A.425; 121A.45, subdivision 1; 121A.46, subdivision 4, by adding subdivisions; 121A.47, subdivisions 2, 14; 121A.53, subdivision 1; 121A.55; 121A.58; 121A.61; 122A.06, subdivisions 2, 5, 6, 7, 8, by adding a subdivision; 122A.07, subdivisions 1, 2, 4a; 122A.09, subdivisions 4, 6, 9, 10; 122A.091, subdivisions 1, 2; 122A.15, subdivision 1; 122A.16; 122A.18, subdivisions 7a, 8, 10; 122A.181, subdivisions 1, 2, 3, 4, 5, 6, by adding a subdivision; 122A.182, subdivisions 1, 2, 3, 4, 7; 122A.183, subdivisions 1, 2, 3, by adding a subdivision; 122A.184, subdivisions 1, 2; 122A.185, subdivisions 1, 4; 122A.187; 122A.19, subdivision 4; 122A.21; 122A.26, subdivision 2; 122A.40, subdivisions 5, 8, 10, by adding a subdivision; 122A.41, subdivisions 2, 5, 14a, by adding a subdivision; 122A.63, subdivisions 6, 9; 122A.635, subdivisions 3, 4; 122A.70; 122A.76; 123B.147, subdivision 3; 123B.595, subdivision 3; 124D.09, subdivisions 3, 7, 8, 13; 124D.095, subdivisions 2, 7; 124D.111; 124D.1158; 124D.128, subdivisions 1, 3; 124D.531, subdivision 1; 124D.55; 124D.59, subdivision 2; 124D.65, subdivision 5; 124D.74, subdivisions 1, 3; 124D.78, subdivisions 1, 3; 124D.79, subdivision 2; 124D.791, subdivision 4; 124D.81; 124D.861, subdivision 2; 124E.02; 124E.03, subdivision 2, by adding subdivisions; 124E.05, subdivisions 4, 6, 7; 124E.06, subdivisions 1, 4, 5; 124E.11; 124E.12, subdivision 1; 124E.13, subdivision 1; 124E.16, subdivision 1; 124E.21, subdivision 1; 124E.25, subdivision 1a; 125A.08; 125A.094; 125A.0942; 125A.21, subdivisions 1, 2; 125A.76, subdivision 2e; 126C.05, subdivisions 1, 3, 17; 126C.10, subdivisions 2, 2a, 2e, 4, 18a; 126C.15, subdivisions 1, 2, 5; 126C.17, by adding a subdivision; 126C.40, subdivision 1; 126C.44; 127A.47, subdivision 7; 127A.49, subdivision 3; 134.34, subdivision 1; 134.355, subdivisions 5, 6, 7; 144.4165; 179A.03, subdivision 19; 290.0679, subdivision 2; 469.176, subdivision 2; 609A.03, subdivision 7a; Laws 2019, First Special Session chapter 11, article 1, section 25, subdivisions 3, as amended, 4, as amended, 6, as amended, 7, as amended, 9, as amended; article 2, section 33, subdivisions 2, as amended, 3, as amended, 5, as amended, 6, as amended, 16, as amended, 27; article 3, section 23, subdivision 3, as amended; article 4, section 11, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as amended; article 6, section 7, subdivisions 2, as amended, 3, as amended; article 7, section 1, subdivisions 2, as amended, 3, as amended, 4, as amended; article 8, section 13, subdivisions 5, as amended, 14, as amended; article 9, section 3, subdivision 2, as amended; article 10, section 5, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 122A; 124D; 125A; 127A; repealing Minnesota Statutes 2020, sections 120B.35, subdivision 5; 122A.091, subdivisions 3, 6; 122A.092; 122A.18, subdivision 7c; 122A.184, subdivision 3; 122A.23, subdivision 3; 122A.2451."

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

The report was adopted.

Hausman from the Committee on Housing Finance and Policy to which was referred:

H. F. No. 1077, A bill for an act relating to state government; establishing a budget for the Minnesota Housing Finance Agency; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
APPROPRIATIONS

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agency for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the

appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

APPROPRIATIONS
Available for the Year
Ending June 30
2022 **2023**

Sec. 2. **HOUSING FINANCE AGENCY**

Subdivision 1. **Total Appropriation**

\$83,798,000

\$61,798,000

(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) Unless otherwise specified, this appropriation is for transfer to the housing development fund for the programs specified in this section. Except as otherwise indicated, this transfer is part of the agency's permanent budget base.

Subd. 2. **Challenge Program**

18,925,000

12,925,000

(a) This appropriation is for the economic development and housing challenge program under Minnesota Statutes, section 462A.33 and 462A.07, subdivision 14.

(b) Of this amount, \$1,208,000 each year shall be made available during the first 11 months of the fiscal year exclusively for housing projects for American Indians. Any funds not committed to housing projects for American Indians in the first 11 months of the fiscal year shall be available for any eligible activity under Minnesota Statutes, sections 462A.33 and 462A.07, subdivision 14.

Subd. 3. **Workforce Housing Development**

2,000,000

2,000,000

This appropriation is for the Greater Minnesota workforce housing development program under Minnesota Statutes, section 462A.39. If requested by the applicant and approved by the agency, funded properties may include a portion of income and rent restricted units. Funded properties may include owner-occupied homes.

Subd. 4. **Manufactured Home Park Infrastructure Grants**

3,000,000

1,000,000

This appropriation is for manufactured home park infrastructure grants under Minnesota Statutes, section 462A.2035, subdivision 1b.

Subd. 5. **Workforce Homeownership Program**

2,000,000

2,000,000

(a) This appropriation is for the workforce homeownership program under Minnesota Statutes, section 462A.38.

(b) The base for this program in fiscal year 2024 and beyond is \$750,000.

Subd. 6. Housing Trust Fund

11,646,000

11,646,000

This appropriation is for deposit in the housing trust fund account created under Minnesota Statutes, section 462A.201, and may be used for the purposes provided in that section.

Subd. 7. Homework Starts with Home

2,250,000

2,250,000

This appropriation is for the homework starts with home program under Minnesota Statutes, sections 462A.201, subdivision 2, paragraph (a), clause (4), and 462A.204, subdivision 8, to provide assistance to homeless or highly mobile families with children eligible for enrollment in a prekindergarten through grade 12 academic program.

Subd. 8. Rental Assistance for Mentally Ill

5,088,000

5,088,000

This appropriation is for the rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.2097. Among comparable proposals, the agency shall prioritize those proposals that target, in part, eligible persons who desire to move to more integrated, community-based settings.

Subd. 9. Family Homeless Prevention

10,269,000

10,269,000

This appropriation is for the family homeless prevention and assistance programs under Minnesota Statutes, section 462A.204.

Subd. 10. Home Ownership Assistance Fund

4,385,000

885,000

This appropriation is for the home ownership assistance program under Minnesota Statutes, section 462A.21, subdivision 8. The agency shall continue to strengthen its efforts to address the disparity gap in the homeownership rate between white households and Indigenous American Indians and communities of color. To better understand and address the disparity gap, the agency is required to collect, on a voluntary basis, demographic information regarding race, color, national origin, and sex of applicants for agency programs intended to benefit homeowners and homebuyers.

Subd. 11. Affordable Rental Investment Fund

4,218,000

4,218,000

(a) This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b, to finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property and for making equity take-out loans under Minnesota Statutes, section 462A.05, subdivision 39.

(b) The owner of federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted.

(c) The appropriation also may be used to finance the acquisition, rehabilitation, and debt restructuring of existing supportive housing properties and naturally occurring affordable housing as determined by the commissioner. For purposes of this paragraph, "supportive housing" means affordable rental housing with links to services necessary for individuals, youth, and families with children to maintain housing stability.

Subd. 12. Owner-Occupied Housing Rehabilitation

2,772,000

2,772,000

(a) This appropriation is for the rehabilitation of owner-occupied housing under Minnesota Statutes, section 462A.05, subdivisions 14 and 14a.

(b) Notwithstanding any law to the contrary, grants or loans under this subdivision may be made without rent or income restrictions of owners or tenants. To the extent practicable, grants or loans must be made available statewide.

Subd. 13. Rental Housing Rehabilitation

3,743,000

3,743,000

(a) This appropriation is for the rehabilitation of eligible rental housing under Minnesota Statutes, section 462A.05, subdivision 14. In administering a rehabilitation program for rental housing, the agency may apply the processes and priorities adopted for administration of the economic development and housing challenge program under Minnesota Statutes, section 462A.33, and may provide grants or forgivable loans if approved by the agency.

(b) Notwithstanding any law to the contrary, grants or loans under this subdivision may be made without rent or income restrictions of owners or tenants. To the extent practicable, grants or loans must be made available statewide.

Subd. 14. Homeownership Education, Counseling, and Training

1,357,000

857,000

This appropriation is for the homeownership education, counseling, and training program under Minnesota Statutes, section 462A.209.

Subd. 15. Lead Safe Homes Grant Program

1,000,000

1,000,000

(a) This appropriation is for grants under the lead safe homes grant program under Minnesota Statutes, section 462A.2095.

(b) The base for this program in fiscal year 2024 and beyond is \$750,000.

Subd. 16. Capacity-Building Grants645,000645,000

This appropriation is for capacity-building grants under Minnesota Statutes, section 462A.21, subdivision 3b. Of this amount, \$125,000 each year is for support of the Homeless Management Information System (HMIS).

Subd. 17. Build Wealth MN500,000500,000

This appropriation is for a grant to Build Wealth Minnesota to provide a family stabilization plan program including program outreach, financial literacy education, and budget and debt counseling.

Subd. 18. Local Housing Trust Fund Grants3,000,000-0-

(a) This appropriation is for grants to local housing trust funds established under Minnesota Statutes, section 462C.16, to incentivize local funding.

(b) A grantee is eligible to receive a grant amount equal to 100 percent of the public revenue committed to the local housing trust fund from any source other than the state or federal government, up to \$150,000, and in addition, an amount equal to 50 percent of the public revenue committed to the local housing trust fund from any source other than the state or federal government that is more than \$150,000 but not more than \$300,000.

(c) \$100,000 of this appropriation is for technical assistance grants to local and regional housing trust funds. A housing trust fund may apply for a technical assistance grant at the time and in the manner and form required by the agency. The agency shall make grants on a first-come, first-served basis. A technical assistance grant must not exceed \$5,000.

(d) A grantee must use grant funds within five years of receipt for purposes: (1) authorized under Minnesota Statutes, section 462C.16, subdivision 3; and (2) benefiting households with incomes at or below 115 percent of the state median income. A grantee must return any grant funds not used for these purposes within eight years of receipt to the commissioner of the Minnesota Housing Finance Agency for deposit into the housing development fund.

Subd. 19. Naturally Occurring Affordable Housing Program6,545,000-0-

This appropriation is for loans or grants under the naturally occurring affordable housing program under Minnesota Statutes, section 462A.40.

Subd. 20. Task Force on Shelter Resident Rights and Shelter Provider Practices

455,000

-0-

This appropriation is to implement the task force on shelter resident rights and shelter provider practices under article 2, section 10.

Subd. 21. Availability and Transfer of Funds

Money appropriated in the first year in this article is available the second year. The commissioner may shift or transfer money in the second year in subdivisions 2, 3, 4, 5, 12, and 13 to address high-priority housing needs.

ARTICLE 2
HOUSING GRANT PROGRAMS

Section 1. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation, with terms and conditions as the agency deems advisable, to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. The loans may be insured or uninsured and may be made with security, or may be unsecured, as the agency deems advisable. The loans may be in addition to or in combination with long-term eligible mortgage loans under subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if refinancing is determined by the agency to be necessary to permit the owner to meet the owner's housing cost without expending an unreasonable portion of the owner's income thereon. No loan for rehabilitation shall be made unless the agency determines that the loan will be used primarily to make the housing more desirable to live in, to increase the market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish codes and standards. ~~Except for accessibility improvements under this subdivision and subdivisions 14a and 24, clause (1), no secured loan for rehabilitation of any owner-occupied property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed 110 percent of its market value, as determined by the agency.~~ No loan under this subdivision for the rehabilitation of owner-occupied housing shall be denied solely because the loan will not be used for placing the owner-occupied residential housing in full compliance with all state, county, or municipal building, housing maintenance, fire, health, or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized under this subdivision may be made to eligible persons and families without limitations relating to the maximum incomes of the borrowers if:

- (1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with developmental disabilities;
- (2) home care is appropriate; and
- (3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing.

The agency may waive any requirement that the housing units in a residential housing development be rented to persons of low and moderate income if the development consists of four or less dwelling units, one of which is occupied by the owner.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may make loans to persons and families of low and moderate income to rehabilitate or to assist in rehabilitating existing residential housing owned and occupied by those persons or families. Rehabilitation may include replacement of manufactured homes. No loan shall be made unless the agency determines that the loan will be used primarily for rehabilitation work necessary for health or safety, essential accessibility improvements, or to improve the energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential housing shall be denied solely because the loan will not be used for placing the residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. The amount of any loan shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted by the agency not to exceed ~~\$27,000~~ \$35,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by the person or family without the expenditure of an unreasonable portion of the income of the person or family. Loans made in whole or in part with federal funds may exceed the maximum loan amount to the extent necessary to comply with federal lead abatement requirements prescribed by the funding source. In making loans, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion of the loan will be repaid and shall determine the appropriate security for the repayment of the loan. Loans pursuant to this subdivision may be made with or without interest or periodic payments.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 3. Minnesota Statutes 2020, section 462A.05, is amended by adding a subdivision to read:

Subd. 42. **Thirty-year affordability covenants.** The agency must impose rent, income, or rent and income restrictions on a multifamily rental housing development as a condition of agency financing as required in this chapter, or as a condition of an allocation or award of federal low-income housing tax credits. The rent, income, or rent and income restrictions must be contained in a covenant running with the land for at least 30 years.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies on or after that date to any multifamily rental housing development for which the agency allocates low-income housing tax credits or funding, or with which the agency enters into a financing or grant agreement.

Sec. 4. **[462A.2095] LEAD SAFE HOMES GRANT PROGRAM.**

Subdivision 1. **Establishment.** The Minnesota Housing Finance Agency shall establish a lead safe homes grant program to provide grants to increase lead testing and make residential rental units lead safe. The initial pilot program shall provide one grant to a project serving an area in a metropolitan county, as defined in section 473.121, subdivision 4, and one grant to a project serving an area outside a metropolitan county with a priority for targeting grant resources to landlords and tenants where there are high concentrations of lead poisoning in children based on information provided by the commissioner of health.

Subd. 2. **Eligibility.** (a) Eligible grantees must be a nonprofit or political subdivision capable of providing funding and services to a defined geographic area. The grant programs receiving funding under this section must provide lead risk assessments completed by a lead inspector or a lead risk assessor licensed by the commissioner of

health pursuant to section 144.9505 for properties built before 1978 to determine the presence of lead hazards and to provide interim controls to reduce lead health hazards. The grant program must provide funding for testing and lead hazard reduction to:

(1) landlords of residential buildings with 11 units or less where the tenant's income does not exceed 60 percent of area median income;

(2) landlords of residential buildings with 12 units or more where at least 50 percent of the tenants are below 60 percent of the median income; and

(3) a tenant with an income that does not exceed 60 percent of area median income.

(b) A landlord or tenant must first access other available state and federal funding related to lead testing and lead hazard reduction for which they are eligible.

(c) Up to ten percent of a grant awarded to a nonprofit or political subdivision may be used to administer the grant and provide education and outreach about lead health hazards.

Subd. 3. **Short title.** This section shall be known as the "Dustin Luke Shields Act."

Sec. 5. Minnesota Statutes 2020, section 462A.22, subdivision 1, is amended to read:

Subdivision 1. **Debt ceiling.** The aggregate principal amount of general obligation bonds and notes which are outstanding at any time, excluding the principal amount of any bonds and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of \$5,000,000,000.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 6. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.

(c) "Community land trust" means an entity that meets the requirements of section 462A.31, subdivisions 1 and 2.

(d) "Debt service" means the amount payable in any fiscal year of principal, premium, if any, and interest on housing infrastructure bonds and the fees, charges, and expenses related to the bonds.

(e) "Foreclosed property" means residential property where foreclosure proceedings have been initiated or have been completed and title transferred or where title is transferred in lieu of foreclosure.

(f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter that:

(1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal Revenue Code;

(2) finance qualified residential rental projects within the meaning of section 142(d) of the Internal Revenue Code; or

~~(3) finance the construction or rehabilitation of single family houses that qualify for mortgage financing within the meaning of section 143 of the Internal Revenue Code; or~~

(4) (3) are tax-exempt bonds that are not private activity bonds, within the meaning of section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing affordable housing authorized under this chapter.

(g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

(h) "Senior" means a person 55 years of age or older ~~with an annual income not greater than 50 percent of:~~

~~(1) the metropolitan area median income for persons in the metropolitan area; or~~

~~(2) the statewide median income for persons outside the metropolitan area.~~

(i) "Senior household" means a household with one or more senior members and with a combined annual income not greater than 50 percent of:

(1) the metropolitan area median income for persons in the metropolitan area; or

(2) the statewide median income for persons outside the metropolitan area.

~~(j) "Senior housing" means housing intended and operated for occupancy by at least one senior per unit senior households~~ with at least 80 percent of the units occupied by ~~at least one senior per unit senior households~~, and for which there is publication of, and adherence to, policies and procedures that demonstrate an intent by the owner or manager to provide housing for seniors. Senior housing may be developed in conjunction with and as a distinct portion of mixed-income senior housing developments that use a variety of public or private financing sources.

~~(k) "Supportive housing" means housing that is not time-limited and provides or coordinates with linkages to services necessary for residents to maintain housing stability and maximize opportunities for education and employment.~~

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 7. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate principal amount of housing infrastructure bonds in one or more series to which the payment made under this section may be pledged. The housing infrastructure bonds authorized in this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on terms and conditions the agency deems appropriate, made for one or more of the following purposes:

(1) to finance the costs of the construction, acquisition, and rehabilitation of supportive housing for individuals and families who are without a permanent residence;

(2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned housing to be used for affordable rental housing and the costs of new construction of rental housing on abandoned or foreclosed property where the existing structures will be demolished or removed;

(3) to finance that portion of the costs of acquisition of property that is attributable to the land to be leased by community land trusts to low- and moderate-income home buyers;

(4) to finance the acquisition, improvement, and infrastructure of manufactured home parks under section 462A.2035, subdivision 1b;

(5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction of senior housing;

(6) to finance the costs of acquisition and rehabilitation of federally assisted rental housing and for the refinancing of costs of the construction, acquisition, and rehabilitation of federally assisted rental housing, including providing funds to refund, in whole or in part, outstanding bonds previously issued by the agency or another government unit to finance or refinance such costs; ~~and~~

(7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction of single-family housing; ~~and~~

(8) to finance the costs of construction, acquisition, and rehabilitation of permanent housing that is affordable to households with incomes at or below 50 percent of the area median income. "Area median income" means the area median income for the applicable county or metropolitan area as published by the Department of Housing and Urban Development, adjusted for household size.

(b) Among comparable proposals for permanent supportive housing, preference shall be given to permanent supportive housing for veterans and other individuals or families who:

(1) either have been without a permanent residence for at least 12 months or at least four times in the last three years; or

(2) are at significant risk of lacking a permanent residence for 12 months or at least four times in the last three years.

(c) Among comparable proposals for senior housing, the agency must give priority to requests for projects that:

(1) demonstrate a commitment to maintaining the housing financed as affordable to ~~seniors~~ senior households;

(2) leverage other sources of funding to finance the project, including the use of low-income housing tax credits;

(3) provide access to services to residents and demonstrate the ability to increase physical supports and support services as residents age and experience increasing levels of disability; ~~and~~

~~(4) provide a service plan containing the elements of clause (3) reviewed by the housing authority, economic development authority, public housing authority, or community development agency that has an area of operation for the jurisdiction in which the project is located; and~~

~~(5) (4) include households with incomes that do not exceed 30 percent of the median household income for the metropolitan area.~~

(d) Of comparable proposals for permanent housing, the agency must give preference to projects that will provide housing that is affordable to households at or below 30 percent of area median income.

(e) To the extent practicable, the agency shall balance the loans made between projects in the metropolitan area and projects outside the metropolitan area. Of the loans made to projects outside the metropolitan area, the agency shall, to the extent practicable, balance the loans made between projects in counties or cities with a population of 20,000 or less, as established by the most recent decennial census, and projects in counties or cities with populations in excess of 20,000.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 8. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:

Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed ~~25~~ 50 percent of the rental housing development project cost. The commissioner shall not award a grant or deferred loans to a city without certification by the city that the amount of the grant or deferred loans shall be matched by a local unit of government, business, or nonprofit organization with \$1 for every \$2 provided in grant or deferred loans funds.

Sec. 9. **[462A.40] NATURALLY OCCURRING AFFORDABLE HOUSING PROGRAM.**

Subdivision 1. Establishment. The Minnesota Housing Finance Agency shall establish a naturally occurring affordable housing program for the purpose of supporting the preservation of naturally occurring affordable housing through acquisition and rehabilitation.

Subd. 2. Definition. For the purposes of this section, "naturally occurring affordable housing" means multiunit rental housing that:

(1) is at least 20 years old;

(2) has rents in a majority of units that are affordable to households at or below 60 percent of the area median income;

(3) did not receive an initial state or federal government subsidy for its construction; and

(4) does not otherwise receive place-based federal governmental subsidies.

Subd. 3. Use of funds. Funds appropriated for the program under this section shall be used by the commissioner with the goal of preserving the most units for the lowest income households for the longest period of time. The commissioner shall make loans or grants from funds appropriated for the program on an as-needed basis and may approve requests on a per-application basis from prospective acquirers of naturally occurring affordable housing or through statewide intermediaries.

Subd. 4. Voucher requirement. Properties that receive funds must accept vouchers under Section 8 of the United States Housing Act of 1937, as amended.

Sec. 10. **TASK FORCE ON SHELTER RESIDENT RIGHTS AND SHELTER PROVIDER PRACTICES.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Director" means the state director of the Minnesota Interagency Council on Homelessness.

(c) "Homeless" or "homelessness" means lacking a fixed, regular, and adequate nighttime residence, including sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason.

(d) "Resident" means a person residing in a shelter, including all members of a family unit.

(e) "Shelter" means an indoor sleeping and sanitary dwelling, whether in a fixed or rotating location, intended for individuals and families experiencing homelessness, provided by a unit of government, a nonprofit organization, or a place of worship. Shelter includes rooms in hotels or motels paid for by a unit of government or nonprofit organization and daytime accommodations for individuals or families for whom shelter is provided only overnight.

Subd. 2. **Establishment.** A task force on shelter resident rights and shelter provider practices is established to:

(1) examine experiences of, and issues facing, shelter residents;

(2) examine issues facing, and practices of, shelter providers;

(3) develop a bill of rights for, and standards of treatment of, individuals and families residing in shelters;

(4) develop shelter provider standards of practice; and

(5) examine the establishment of government oversight and registration of the provision of shelter in Minnesota.

Subd. 3. **Membership.** (a) The task force consists of the following 24 members appointed by the director:

(1) the commissioner of human services, or a designee;

(2) the commissioner of corrections, or a designee;

(3) the commissioner of health, or a designee;

(4) the commissioner of public safety, or a designee;

(5) the commissioner of transportation, or a designee;

(6) the commissioner of veterans affairs, or a designee;

(7) three individuals who have experienced homelessness and resided in a shelter, one of whom has resided in a shelter in greater Minnesota;

(8) one individual who has experienced homelessness and chose to remain unsheltered;

(9) one representative of Street Voices of Change;

(10) one representative of Freedom from the Streets;

(11) two representatives from organizations that advocate on behalf of persons with disabilities;

(12) one representative from an organization that advocates on behalf of persons experiencing homelessness;

(13) one representative from an organization that provides legal services to persons experiencing homelessness;

(14) four representatives of organizations representing shelter providers, two of which must provide shelter in the seven-county metropolitan area, two of which must provide shelter in greater Minnesota, one of which must also provide shelter to families, and one of which must also be a victim service provider that is funded to provide shelter to survivors of domestic violence and sexual assault;

(15) two representatives from the League of Minnesota Cities, one of whom must represent cities in greater Minnesota; and

(16) two representatives from the Association of Minnesota Counties, one of whom must represent counties in greater Minnesota.

(b) Appointments must be made no later than July 1, 2021.

(c) Task force members shall serve without compensation, except for members who are individuals who have experienced homelessness and resided in a shelter or who are individuals representing shelter providers. Members eligible for compensation shall receive expenses as provided in Minnesota Statutes, section 15.059, subdivision 6.

(d) Vacancies shall be filled by the director consistent with the qualifications of the vacating member required by this subdivision.

Subd. 4. **Meetings; officers.** (a) The director shall convene the first meeting of the task force no later than August 15, 2021, and shall provide physical or virtual meeting space as necessary for the task force to conduct its work.

(b) At its first meeting, the task force shall elect a chair and vice-chair from among the task force members and may elect other officers as necessary.

(c) The task force shall meet according to a schedule determined by the members or upon the call of its chair. The task force shall meet as often as necessary to accomplish the duties under subdivision 5.

(d) Meetings of the task force are subject to Minnesota Statutes, chapter 13D.

Subd. 5. **Duties.** (a) The task force must seek input from:

(1) individuals who are experiencing or who have experienced homelessness and reside or have resided in a shelter, including individuals experiencing homelessness in urban, suburban, and rural areas of the state;

(2) providers of shelter, including winter shelter, cold weather shelter, family shelter, youth shelter, and shelter for survivors of domestic abuse or sexual violence; providers who are funded by state, city, or local governments; providers who operate with nonpublic funds; providers who provide shelter in urban and suburban areas; providers who provide shelter in greater Minnesota; and providers of shelter in apartments, hotels, and motels;

(3) relevant state agencies that serve persons experiencing homelessness or persons who are at risk of becoming homeless; and

(4) any other persons or organizations with experience or expertise in homelessness, homeless outreach, or homeless prevention.

(b) The task force must:

(1) conduct research into and analyze establishing government oversight and registration of homeless shelters in Minnesota; and

(2) identify and analyze policies, rights, and responsibilities of shelter residents and shelter providers regarding, at a minimum:

(i) the treatment of shelter residents with dignity and respect, including but not limited to addressing conflict resolution, ensuring cultural sensitivity, engaging people with mental illnesses, implementing crisis response, and providing trauma-informed services;

(ii) shelter terminations and appeals;

(iii) remedies for and enforcement of shelter resident rights violations and illegal terminations;

(iv) time limits on residency and policies on temporary absences;

(v) security and personal safety of shelter residents;

(vi) staffing ratios;

(vii) appropriate, adequate, and safe storage and protection of resident property and personal information during a resident's stay and following a resident's exit from shelter;

(viii) maintaining family units while in shelter;

(ix) preventing discrimination based on race, color, creed, ethnicity, national origin, citizenship, gender, gender identity, sexual orientation, familial status, marital status, veteran status, immigration status, status with regard to public assistance, disability, religion, or age;

(x) seizure of persons and property;

(xi) the expectation of the resident's personal property privacy;

(xii) access to emergency and nonemergency medical and dental care;

(xiii) access to hygiene and sanitary products;

(xiv) maintenance of cleanliness of the facilities;

(xv) accommodations for a resident's nontraditional work hours and schedules, circumstances involving members of the resident's immediate family who do not reside in the shelter, and other extenuating life circumstances;

(xvi) reasonable accommodations for residents with disabilities, including residents with physical, developmental, and communication challenges; residents whose primary language is not English; and residents with food and other allergies or dietary restrictions;

(xvii) the provision of information regarding shelter policies, procedures, rules, restrictions, and notices of eviction;

(xviii) the filing of grievances; and

(xix) the provision of case management, referral, and other supports regarding housing, supportive housing, mental health, physical health, substance abuse, government assistance, and employment services and resources.

(c) The task force must review the application of housing support payments under Minnesota Statutes, section 2561.06, for shelter purposes and personal allowance policies to determine how residents can retain a maximum amount of their income.

(d) The task force shall develop recommendations for the establishment of a statewide shelter call line to ensure that all residents are receiving adequate service in a shelter. The task force shall evaluate the appropriate state agency, nonprofit organization, or other entity to house and operate the call line and the funding necessary to establish and maintain the ongoing operation of the call line.

(e) The task force may examine any other related issues consistent with this section.

Subd. 6. **Administrative support.** The Minnesota Housing Finance Agency must provide administrative support and meeting space for the task force.

Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over housing and preventing homelessness on the findings and recommendations for:

(1) legislation establishing:

(i) a bill of rights for, and uniform standards of treatment of, individuals and families residing in a shelter;

(ii) shelter provider standards of practice; and

(iii) a statewide shelter call line; and

(2) the establishment of government oversight and registration of the provision of shelter in Minnesota.

(b) No later than August 31, 2022, the task force shall submit a final report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over housing and preventing homelessness on the findings and recommendations listed in paragraph (a).

Subd. 8. **Expiration.** The task force expires the day following submission of the final report under subdivision 7.

EFFECTIVE DATE. This section is effective July 1, 2021.

ARTICLE 3 AFFORDABLE HOUSING ELIGIBILITY

Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:

Subd. 3. **Capacity building grants.** Grants may be made under section 462A.21, subdivision 3b~~;~~:

(1) to local units of government, including regional consortia, in the disaster area ~~and~~;

(2) to nonprofit organizations; and

(3) to federally recognized American Indian Tribes or subdivisions located in Minnesota, and Tribal housing corporations

working in the disaster area to assess housing and related needs, develop and implement community or regional plans to meet those needs, and provide capacity to implement recovery plans.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:

Subd. 2. **Technical assistance; residential housing.** It may provide general technical services and support to assist in the planning, processing, design, construction or rehabilitation, and inspection of residential housing for occupancy by persons and families of low and moderate income and to increase the capacity of entities to meet the housing needs in the state.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 3. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:

Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe, a group of Tribes, or a community-based nonprofit organization ~~with a sponsoring resolution from each of the county boards of the counties located within its operating jurisdiction~~ may apply for and receive grants ~~for areas located outside the metropolitan area.~~

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 4. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** A workforce and affordable homeownership development program is established to award homeownership development grants to:

(1) cities;

(2) counties;

(3) Tribal governments;

(4) nonprofit organizations;

(5) cooperatives created under chapter 308A or 308B; and

(6) community land trusts created for the purposes outlined in section 462A.31, subdivision 1,

for development of workforce and affordable homeownership projects. The purpose of the program is to increase the supply of workforce and affordable, owner-occupied multifamily or single-family housing throughout Minnesota.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 5. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible project area" means a home rule charter or statutory city located outside of the metropolitan area as defined in section 473.121, subdivision 2, with a population exceeding 500; a community that has a combined population of 1,500 residents located within 15 miles of a home rule charter or statutory city located outside the metropolitan area as defined in section 473.121, subdivision 2; federally recognized Tribal reservations; or an area served by a joint county-city economic development authority.

(c) "Joint county-city economic development authority" means an economic development authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between a city and county and excluding those established by the county only.

(d) "Market rate residential rental properties" means properties that are rented at market value, including new modular homes, new manufactured homes, and new manufactured homes on leased land or in a manufactured home park, and may include rental developments that have a portion of income-restricted units.

(e) "Qualified expenditure" means expenditures for market rate residential rental properties including acquisition of property; construction of improvements; and provisions of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing costs.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 6. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:

Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent of the rental housing development project cost. The commissioner shall not award a grant or deferred loans to ~~a city~~ an eligible project area without certification by the ~~city~~ eligible project area that the amount of the grant or deferred loans shall be matched by:

(1) a local unit of government;

(2) a business;~~or;~~

(3) a nonprofit organization; or

(4) a federally recognized Tribe

with \$1 for every \$2 provided in grant or deferred loans funds.

EFFECTIVE DATE. This section is effective August 1, 2021.

ARTICLE 4 HOUSING FINANCE TECHNICAL AND CONFORMING CHANGES

Section 1. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02, subdivision 6, which has received funding from the Minnesota housing finance agency for purposes of the community land trust program. The Minnesota Housing Finance Agency shall set the criteria for community land trusts.

~~(b) All occupants of a community land trust building must have a family income of less than 80 percent of the greater of (1) the state median income, or (2) the area or county median income, as most recently determined by the Department of Housing and Urban Development. Before the community land trust can rent or sell a unit to an applicant, the community land trust shall verify to the satisfaction of the administering agency or the city that the family income of each person or family applying for a unit in the community land trust building is within the income criteria provided in this paragraph. The administering agency or the city shall verify to the satisfaction of the county assessor that the occupant meets the income criteria under this paragraph. The property tax benefits under paragraph (c) shall be granted only to property owned or rented by persons or families within the qualifying income limits. The family income criteria and verification is only necessary at the time of initial occupancy in the property.~~

(c) A unit which is owned by the occupant and used as a homestead by the occupant qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit which is rented by the occupant and used as a homestead by the occupant shall be class 4a or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining portion of the property not used for residential purposes shall be classified by the assessor in the appropriate class based upon the use of that portion of the property owned by the community land

trust. The land upon which the building is located shall be assessed at the same classification rate as the units within the building, provided that if the building contains some units assessed as class 1a and some units assessed as class 4a or 4b, the market value of the land will be assessed in the same proportions as the value of the building.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:

Subd. 9. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means persons or families whose income does not exceed:

(1) ~~80~~ 115 percent of the greater of state median income, or area or county median income as determined by the Department of Housing and Urban Development; or

(2) the amount that qualifies the organization for tax exempt status under United States Code, title 26, section 501(c)(3), whichever is less.

EFFECTIVE DATE. This section is effective August 1, 2021.

ARTICLE 5 BONDING PROVISIONS

Section 1. Minnesota Statutes 2020, section 474A.21, is amended to read:

474A.21 APPROPRIATION; RECEIPTS.

Any fees collected by the department under sections 474A.01 to 474A.21 must be deposited in a separate account in the ~~general~~ special revenue fund. The amount necessary to refund application deposits is appropriated to the department from the separate account in the ~~general~~ special revenue fund for that purpose. The interest accruing on application deposits and any application deposit not refunded as provided under section 474A.061, subdivision 4 or 7, or 474A.091, subdivision 5, or forfeited as provided under section 474A.131, subdivision 1, paragraph (b), or subdivision 2, must be deposited in the housing trust fund account under section 462A.201.

Sec. 2. **HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT REFUND.**

Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a), and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers that returned all of their allocation of bonding authority from the 2020 housing pool shall receive a refund of the amount of the application deposit submitted with the issuer's 2020 housing pool application, less any amount previously refunded. Any application deposit money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of the date of final enactment that is connected to full returns of bonding authority from the 2020 housing pool is not required to be deposited in the fund under Minnesota Statutes, section 462A.201; and the department may instead retain that money in the separate account in the special revenue fund under Minnesota Statutes, section 474A.21. The amount necessary to refund the application deposits under this section is appropriated to the department from the separate account in the special revenue fund under Minnesota Statutes, section 474A.21. For purposes of this section, "department" means the Department of Management and Budget.

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

ARTICLE 6
RESIDENTIAL RENTAL HOUSING POLICY

Section 1. Minnesota Statutes 2020, section 256C.02, is amended to read:

256C.02 PUBLIC ACCOMMODATIONS.

People who are blind or people with a visual or physical disability have the same right as the able-bodied to the full and free use of the streets, highways, sidewalks, walkways, public buildings, public facilities, and other public places; and are entitled to full and equal accommodations, advantages, facilities, and privileges of all common carriers, airplanes, motor vehicles, railroad trains, motor buses, boats, or any other public conveyances or modes of transportation, hotels, lodging places, places of public accommodation, amusement, or resort, and other places to which the general public is invited, subject only to the conditions and limitations established by law and applicable alike to all persons.

Every person who is totally or partially blind, or person who is deaf, or person with a physical disability, or any person training a dog to be a service dog shall have the right to be accompanied by a service dog in any of the places listed in section 363A.19. The person shall be liable for any damage done to the premises or facilities by such dog. ~~The service dog must be capable of being properly identified as from a recognized school for seeing eye, hearing ear, service, or guide dogs.~~

Sec. 2. Minnesota Statutes 2020, section 363A.09, subdivision 5, is amended to read:

Subd. 5. **Real property full and equal access.** It is an unfair discriminatory practice for a person to deny full and equal access to real property provided for in sections 363A.08 to 363A.19, and 363A.28, subdivision 10, to a person who ~~is totally or partially blind, deaf, or has a physical or sensory~~ has a disability and who uses a service animal, ~~if the service animal can be properly identified as being from a recognized program which trains service animals to aid persons who are totally or partially blind or deaf or have physical or sensory disabilities.~~ The person may not be required to pay extra compensation for the service animal but is liable for damage done to the premises by the service animal.

Sec. 3. Minnesota Statutes 2020, section 484.014, subdivision 2, is amended to read:

Subd. 2. **Discretionary expungement.** The court may order expungement of an eviction case court file ~~only upon motion of a defendant and decision by the court, if the court finds that the plaintiff's case is sufficiently without basis in fact or law, which may include lack of jurisdiction over the case, that~~ if the court makes the following findings: (1) the eviction case court file is no longer a reasonable predictor of future tenant behavior; and (2) the expungement is clearly in the interests of justice and those interests are not outweighed by the public's interest in knowing about the record.

Sec. 4. Minnesota Statutes 2020, section 484.014, subdivision 3, is amended to read:

Subd. 3. **Mandatory expungement.** The court shall order expungement of an eviction case;

(1) commenced solely on the grounds provided in section 504B.285, subdivision 1, clause (1), if the court finds that the defendant occupied real property that was subject to contract for deed cancellation or mortgage foreclosure and:

~~(1)~~ (i) the time for contract cancellation or foreclosure redemption has expired and the defendant vacated the property prior to commencement of the eviction action; or

~~(2)~~ (ii) the defendant was a tenant during the contract cancellation or foreclosure redemption period and did not receive a notice under section 504B.285, subdivision 1a, 1b, or 1c, to vacate on a date prior to commencement of the eviction case;

- (2) if the defendant prevailed on the merits;
- (3) if the court dismissed the plaintiff's complaint for any reason;
- (4) if the parties to the action have agreed to an expungement;
- (5) if the court finds an eviction was ordered at least three years prior to the date the expungement was filed; or
- (6) upon motion of a defendant, if the case is settled and the defendant fulfills the terms of the settlement.

Sec. 5. Minnesota Statutes 2020, section 504B.001, subdivision 4, is amended to read:

Subd. 4. **Evict or eviction.** "Evict" or "eviction" means a ~~summary~~ court proceeding to remove a tenant or occupant from or otherwise recover possession of real property by the process of law set out in this chapter.

Sec. 6. **[504B.113] SERVICE AND SUPPORT ANIMAL DOCUMENTATION.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Service animal" has the meaning given in Code of Federal Regulations, title 28, section 36.104, as amended.

(c) "Support animal" means an animal that: (1) provides emotional support that alleviates one or more identified symptoms or effects of a person's disability; and (2) does not need to be trained to perform a specific disability-related task.

(d) "Tenant" means a current tenant or a prospective tenant.

(e) "Licensed professional" means a provider of care who is:

(1) a person licensed by the Board of Medical Practice under chapter 147;

(2) a physician assistant licensed under chapter 147A;

(3) a nurse, as defined in section 148.171, subdivision 9, licensed under chapter 148;

(4) a psychologist licensed under chapter 148;

(5) a mental health professional licensed under chapter 148B;

(6) a social worker licensed under chapter 148E;

(7) a counselor licensed under chapter 148F; or

(8) any professional listed in clauses (1) to (7) who holds a valid license in any other state, provided the professional has an existing treatment relationship with the tenant requesting a reasonable accommodation.

A licensed professional does not include any person who operates primarily to provide certification for a service or support animal.

(f) "Reasonable accommodation" means the granting of a waiver by a landlord of a no-pets or pet-fee policy for a person with a disability consistent with the Fair Housing Act, United States Code, title 42, sections 3601 to 3619, as amended, and section 504 of the Rehabilitation Act of 1973, United States Code, title 29, section 701, as amended.

(g) "Disability" has the meaning given in section 363A.03, subdivision 12.

Subd. 2. Request for documentation permitted. (a) A landlord may require a tenant to provide supporting documentation for each service or support animal for which the tenant requests a reasonable accommodation under any provision of law. A landlord must not require supporting documentation from a tenant if the tenant's disability or disability-related need for a service or support animal is readily apparent or already known to the landlord.

(b) Upon a landlord's request, the tenant must provide supporting documentation from a licensed professional confirming the tenant's disability and the relationship between the tenant's disability and the need for a service or support animal. A landlord must not require the tenant to disclose or provide access to medical records or medical providers or provide any other information or documentation of a person's physical or mental disability.

Subd. 3. Additional fees or deposits prohibited. A landlord must not require a tenant with a reasonable accommodation under this section to pay an additional fee, charge, or deposit for the service or support animal. A tenant is liable to the landlord for any damage to the premises caused by the service or support animal.

Subd. 4. Prohibited conduct. A tenant must not, directly or indirectly through statements or conduct, knowingly:

- (1) misrepresent themselves as a person with a disability that requires the use of a service or support animal; or
- (2) provide fraudulent supporting documentation under this section.

Subd. 5. Penalty. If a tenant violates this section, the landlord may deny the tenant's rental application or reasonable accommodation request for a service or support animal. Nothing in this section shall be construed to prohibit an eviction action based on a breach of the lease.

Sec. 7. [504B.116] PRORATED RENT REQUIRED.

When a lease term for a residential unit ends on a date before the last day of the final month, the amount of rent to be paid for the final month owed for the final month of rent must be prorated at the average daily rate for that month so that the tenant only pays for the actual number of days that occupancy is allowed. This provision applies to all leases, including leases requiring the last month of rent to be paid in advance.

EFFECTIVE DATE. This section is effective August 1, 2021, and applies to leases entered into on or after that date.

Sec. 8. [504B.120] PROHIBITED FEES.

Subdivision 1. Prohibited fees. Except for actual services rendered for an optional service offered by the landlord, a landlord shall not charge a tenant any nonrefundable fee in relation to a residential tenancy.

Subd. 2. Penalties. A landlord who violates this section is liable to the residential tenant for each unenforceable fee for three times the amount of each fee imposed that was not for an actual optional service or \$500, whichever is greater, and the court may award the tenant reasonable attorney's fees.

EFFECTIVE DATE. This section applies to leases signed on or after August 1, 2021.

Sec. 9. Minnesota Statutes 2020, section 504B.135, is amended to read:

504B.135 TERMINATING TENANCY AT WILL.

~~(a)~~ A tenancy at will may be terminated by either party by giving notice in writing. The time of the notice must be at least as long as the interval between the time rent is due or three months, whichever is less.

~~(b) If a tenant neglects or refuses to pay rent due on a tenancy at will, the landlord may terminate the tenancy by giving the tenant 14 days notice to quit in writing.~~

Sec. 10. **[504B.144] EARLY RENEWAL.**

When a landlord and a tenant sign a residential lease for a term that is at least ten months, the landlord must not require the tenant to renew the lease until at least four months have passed since the tenant occupied the unit.

EFFECTIVE DATE. This section is effective August 1, 2021, and applies to leases entered into on or after that date.

Sec. 11. Minnesota Statutes 2020, section 504B.161, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) In every lease or license of residential premises, the landlord or licensor covenants:

(1) that the premises and all common areas are fit for the use intended by the parties;

(2) to keep the premises in reasonable repair during the term of the lease or license, except when the disrepair has been caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a person under the direction or control of the tenant or licensee;

(3) to make the premises reasonably energy efficient by installing weatherstripping, caulking, storm windows, and storm doors when any such measure will result in energy procurement cost savings, based on current and projected average residential energy costs in Minnesota, that will exceed the cost of implementing that measure, including interest, amortized over the ten-year period following the incurring of the cost; ~~and~~

(4) to maintain the premises in compliance with the applicable health and safety laws of the state, and of the local units of government where the premises are located during the term of the lease or license, except when violation of the health and safety laws has been caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a person under the direction or control of the tenant or licensee; and

(5) to supply or furnish heat at a minimum temperature of at least 68 degrees Fahrenheit, measured at a distance of 36 inches above floor level, and not closer than 36 inches from any wall, from October 1 through April 30.

(b) The parties to a lease or license of residential premises may not waive or modify the covenants imposed by this section.

Sec. 12. Minnesota Statutes 2020, section 504B.211, subdivision 2, is amended to read:

Subd. 2. **Entry by landlord.** Except as provided in subdivision 4, a landlord may enter the premises rented by a residential tenant ~~without the residential tenant's permission~~ only for a reasonable business purpose and after making a good faith effort to give the residential tenant reasonable notice under the circumstances of not less than 24 hours in advance of the intent to enter. The notice must specify a time of entry that does not exceed four hours and the landlord may only enter between the hours of 8:00 a.m. and 8:00 p.m. A residential tenant may withdraw the

residential tenant's permission at any time. A residential tenant may not waive and the landlord may not require the residential tenant to waive the residential tenant's right to prior notice of entry under this section as a condition of entering into or maintaining the lease.

Sec. 13. Minnesota Statutes 2020, section 504B.211, subdivision 6, is amended to read:

Subd. 6. **Penalty.** If a landlord ~~substantially~~ violates ~~subdivision 2~~ this section, the residential tenant is entitled to a penalty which may include a rent reduction up to full rescission of the lease, recovery of any damage deposit less any amount retained under section 504B.178, and ~~up to a \$100 civil penalty for each violation.~~ ~~If a landlord violates subdivision 5, the residential tenant is entitled to up to a \$100 civil penalty for each violation~~ damages not less than an amount equal to one month's rent and reasonable attorney fees. A residential tenant ~~shall~~ may follow the procedures in sections 504B.381, 504B.385, and 504B.395 to 504B.471 to enforce the provisions of this section. A violation of this section by the landlord is a violation of section 504B.161.

EFFECTIVE DATE. This section applies to matters commenced on or after August 1, 2021.

Sec. 14. Minnesota Statutes 2020, section 504B.241, subdivision 4, is amended to read:

Subd. 4. **Court file information.** (a) If a residential tenant screening service includes information from a court file on an individual in a residential tenant report, the report must provide the full name and date of birth of the individual in any case where the court file includes the individual's full name and date of birth, and the outcome of the court proceeding must be accurately recorded in the residential tenant report including the specific basis of the court's decision, when available.

(b) If a tenant screening service knows that a court file has been expunged or that the court file has not resulted in a writ of recovery of premises and order to vacate, as defined in section 504B.001, subdivision 15, the tenant screening service shall delete any reference to that file in any data maintained or disseminated by the screening service. Every tenant screening service has an affirmative duty to update and verify the current status of court files by accessing the Minnesota Court Information System no more than 24 hours prior to issuing a residential tenant screening report. If a file cannot be found, it shall be presumed to be expunged and may not be reported.

(c) Whenever the court supplies information from a court file on an individual, in whatever form, the court shall include the full name and date of birth of the individual, if that is indicated on the court file or summary, and information on the outcome of the court proceeding, including the specific basis of the court's decision, coded as provided in subdivision 5 for the type of action, when it becomes available.

(d) The residential tenant screening service is not liable under section 504B.245 if the residential tenant screening service reports complete and accurate information as provided by the court, consistent with paragraph (b).

Sec. 15. Minnesota Statutes 2020, section 504B.245, is amended to read:

504B.245 TENANT REPORT; REMEDIES.

~~The remedies provided in section 8.31 apply to~~ A residential tenant aggrieved by a violation of section 504B.241 is entitled to recover damages, together with costs and disbursements, including costs of investigation and attorney fees, and receive other equitable relief as determined by the court. ~~A residential tenant screening service or landlord in compliance with the provisions of the Fair Credit Reporting Act, United States Code, title 15, section 1681, et seq., is considered to be in compliance with section 504B.241.~~

Sec. 16. **[504B.266] TERMINATION OF LEASE UPON INFIRMITY OF TENANT.**

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Authorized representative" means a person acting as an attorney-in-fact under a power of attorney under section 523.24 or a court-appointed conservator or guardian under chapter 524.

(c) "Disability" means any condition or characteristic that is a physical, sensory, or mental impairment that materially limits one or more major life activity.

(d) "Medical care facility" means:

(1) a nursing home, as defined in section 144A.01, subdivision 5;

(2) hospice care, as defined in section 144A.75, subdivision 8;

(3) a residential hospice facility, as defined in section 144A.75, subdivision 13;

(4) boarding care, as licensed under chapter 144 and regulated by the Department of Health under Minnesota Rules, chapter 4655;

(5) a supervised living facility, as licensed under chapter 144;

(6) a facility providing assisted living, as defined in section 144G.01, subdivision 2;

(7) an accessible unit, as defined in section 363A.40, subdivision 1, paragraph (b);

(8) a state facility as defined in section 246.50, subdivision 3;

(9) a facility providing a foster care for adults program as defined in section 245A.02, subdivision 6c; or

(10) a facility providing intensive residential treatment services as defined in section 256B.0622, subdivision 2, paragraph (n).

(e) "Medical professional" means:

(1) a physician who is currently licensed to practice medicine under section 147.02, subdivision 1;

(2) an advanced practice registered nurse, as defined in section 148.171, subdivision 3; or

(3) a mental health professional as defined in sections 245.462, subdivision 18, clauses (1) to (6), and 245.4871, subdivision 27, clauses (1) to (5).

Subd. 2. Termination of lease upon infirmity of tenant. (a) A tenant or the authorized representative of the tenant may terminate the lease prior to the expiration of the lease in the manner provided in subdivision 3 if the tenant has, or if there is more than one tenant all the tenants have, been found by a medical professional to need to move into a medical care facility and:

(1) require assistance with instrumental activities of daily living or personal activities of daily living due to medical reasons or a disability;

(2) meet one of the nursing facility level of care criteria under section 144.0724, subdivision 11; or

(3) have a disability or functional impairment in three or more of the areas listed in section 245.462, subdivision 11a, so that self-sufficiency is markedly reduced because of a mental illness.

(b) When a tenant requires an accessible unit as defined in section 363A.40, subdivision 1, and the landlord can provide an accessible unit in the same complex where the tenant currently resides that is available within two months of the request, the provisions of this section do not apply and the tenant may not terminate the lease.

Subd. 3. **Notice.** When the conditions in subdivision 2 have been met, the tenant or the tenant's authorized representative may terminate the lease by providing at least two months' written notice to be effective on the last day of a calendar month. The notice must be either hand-delivered or mailed by postage prepaid, first class mail. The notice must include: (1) a copy of the medical professional's written documentation of the infirmity; and (2) documentation showing that the tenant has been accepted as a resident or has a pending application at a location where the medical professional has indicated that the tenant needs to move. The termination of a lease under this section shall not relieve the eligible tenant from liability either for the payment of rent or other sums owed prior to or during the notice period, or for the payment of amounts necessary to restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

Subd. 4. **Waiver prohibited.** Any waiver of the rights of termination provided by this section, including lease provisions or other agreements that require a longer notice period than those provided for in this section, shall be void and unenforceable.

Subd. 5. **Other laws.** Nothing in this section affects the rights or remedies available in this chapter or other law, including but not limited to chapter 363A.

EFFECTIVE DATE. This section is effective January 1, 2022, and applies to leases entered into or renewed on or after January 1, 2022. For the purposes of this section, estates at will shall be deemed to be renewed at the commencement of each rental period.

Sec. 17. **[504B.268] RIGHT TO COUNSEL IN PUBLIC HOUSING; BREACH OF LEASE EVICTION ACTIONS.**

Subdivision 1. **Right to counsel.** A defendant in public housing subject to an eviction action under sections 504B.281 to 504B.371 alleging breach of lease under section 504B.171 or 504B.285 who is financially unable to obtain counsel has the right to counsel appointed by the court. The complaint required by section 504B.321 shall include the notice on the first page of the complaint in bold 12-point type: "If financially unable to obtain counsel, the defendant has the right to a court-appointed attorney." At the initial hearing, the court shall ask the defendant if the defendant wants court-appointed counsel and shall explain what such appointed counsel can accomplish for the defendant. For the purposes of this section "public housing" has the meaning provided in and regulated by United States Code, title 42, section 1437 et. seq., and Code of Federal Regulations, title 24, parts 5 and 902-990, and a defendant is considered eligible for counsel due to financial need based on the defendant's qualification for public housing.

Subd. 2. **Qualifications.** Counsel appointed by the court must: (1) have a minimum of two years' experience handling public housing evictions; (2) have training in handling public housing evictions; or (3) be supervised by an attorney who meets the minimum qualifications under clause (1) or (2).

Subd. 3. **Compensation.** By January 15, 2022, and every year thereafter, the chief judge of the judicial district, after consultation with public housing attorneys, legal aid attorneys, and members of the private bar in the district, shall establish a compensation rate for attorney fees and costs associated with representation under subdivision 1. The compensation to be paid to an attorney for such service rendered to a defendant under this subdivision may not exceed \$5,000, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the chief judge of the district as necessary to provide fair compensation for services of an unusual character or duration.

Sec. 18. Minnesota Statutes 2020, section 504B.321, is amended to read:

504B.321 COMPLAINT AND SUMMONS.

Subdivision 1. **Procedure.** (a) To bring an eviction action, the person complaining shall file a complaint with the court, stating the full name and date of birth of the person against whom the complaint is made, unless it is not known, describing the premises of which possession is claimed, stating the facts which authorize the recovery of possession, and asking for recovery thereof.

(b) The lack of the full name and date of birth of the person against whom the complaint is made does not deprive the court of jurisdiction or make the complaint invalid.

(c) The court shall issue a summons, commanding the person against whom the complaint is made to appear before the court on a day and at a place stated in the summons.

(d) The appearance shall be not less than ~~seven nor more than~~ 14 days from the day of issuing the summons, except as provided by subdivision 2.

(e) A copy of the complaint shall be attached to the summons, which shall state that the copy is attached and that the original has been filed.

(f) If applicable, the person filing a complaint must attach a copy of the written notice described in subdivision 1a. The court shall dismiss an action without prejudice for failure to provide a notice as described in subdivision 1a and grant an expungement of the eviction case court file.

Subd. 1a. **Written notice.** (a) Before bringing an eviction action alleging nonpayment of rent, a landlord must provide written notice to the residential tenant specifying the basis for a future eviction action.

(b) For an allegation of nonpayment of rent or other unpaid financial obligations in violation of the lease, the landlord must include the following in a written notice:

(1) the total amount due;

(2) a specific accounting of the amount of the total due that is comprised of unpaid rents, late fees, or other charges under the lease; and

(3) the name and address of the person authorized to receive rent and fees on behalf of the landlord.

(c) A notice provided under this section must:

(1) provide a disclaimer that a low-income tenant may be eligible for financial assistance from the county;

(2) provide a description on how to access legal and financial assistance through the "Law Help" website at www.lawhelpmn.org and "Minnesota 211" through its website www.211unitedway.org or by calling 211; and

(3) state that the landlord may bring an eviction action following expiration of the 14-day notice period if the tenant fails to pay the total amount due or vacates.

(d) The landlord or an agent of the landlord must deliver the notice personally or by first class mail to the residential tenant at the address of the leased premises.

(e) If the tenant fails to correct the rent delinquency within 14 days of the delivery or mailing of the notice, or fails to vacate, the landlord may bring an eviction action under subdivision 1 based on the nonpayment of rent.

(f) Receipt of a notice under this section is an emergency situation under section 256D.06, subdivision 2, and Minnesota Rules, chapter 9500. For purposes of chapter 256J and Minnesota Rules, chapter 9500, a county agency verifies an emergency situation by receiving and reviewing a notice under this section. If a residential tenant applies for financial assistance from the county, the landlord must cooperate with the application process by:

(1) supplying all information and documentation requested by the tenant or the county; and

(2) accepting or placing into escrow partial rent payments where necessary to establish a tenant's eligibility for assistance.

Subd. 2. **Expedited procedure.** (a) In an eviction action brought under section 504B.171 or on the basis that the tenant is causing a nuisance or other illegal behavior that seriously endangers the safety of other residents, their property, or the landlord's property, the person filing the complaint shall file an affidavit stating specific facts and instances in support of why an expedited hearing is required.

(b) The complaint and affidavit shall be reviewed by a referee or judge and scheduled for an expedited hearing only if sufficient supporting facts are stated and they meet the requirements of this paragraph.

(c) The appearance in an expedited hearing shall be not less than five days nor more than seven days from the date the summons is issued. The summons, in an expedited hearing, shall be served upon the tenant within 24 hours of issuance unless the court orders otherwise for good cause shown.

(d) If the court determines that the person seeking an expedited hearing did so without sufficient basis under the requirements of this subdivision, the court shall impose a civil penalty of up to \$500 for abuse of the expedited hearing process.

Subd. 3. **Nonpublic record.** An eviction action is not accessible to the public until the court enters a final judgment.

Sec. 19. Minnesota Statutes 2020, section 504B.331, is amended to read:

504B.331 SUMMONS; HOW SERVED.

(a) The summons and complaint must be served at least ~~seven~~ 14 days before the date of the court appearance specified in section 504B.321, in the manner provided for service of a summons in a civil action in district court. ~~It may be served by any person not named a party to the action.~~

(b) If the defendant cannot be found in the county, the summons and complaint may be served at least ~~seven~~ 14 days before the date of the court appearance by:

(1) leaving a copy at the defendant's last usual place of abode with a person of suitable age and discretion residing there; or

(2) if the defendant had no place of abode, by leaving a copy at the property described in the complaint with a person of suitable age and discretion occupying the premises.

(c) Failure of the sheriff to serve the defendant is prima facie proof that the defendant cannot be found in the county.

(d) Where the defendant cannot be found in the county, service of the summons and complaint may be made upon the defendant by posting the summons in a conspicuous place on the property for not less than ~~one week~~ 14 days if:

(1) the property described in the complaint is:

(i) nonresidential and no person actually occupies the property; or

(ii) residential and service has been attempted at least twice on different days, with at least one of the attempts having been made between the hours of 6:00 p.m. and 10:00 p.m.; and

(2) the plaintiff or the plaintiff's attorney has signed and filed with the court an affidavit stating that:

(i) the defendant cannot be found, or that the plaintiff or the plaintiff's attorney believes that the defendant is not in the state; ~~and~~

(ii) a copy of the summons and complaint has been mailed to the defendant at the defendant's last known address if any is known to the plaintiff-; and

(iii) the plaintiff or plaintiff's attorney has communicated to the defendant that an eviction hearing has been scheduled, including the date, time, and place of the hearing specified in the summons by all forms of communication the plaintiff regularly uses to communicate with the defendant, including e-mail and text message.

(e) If the defendant or the defendant's attorney does not appear in court on the date of the appearance, the trial shall proceed.

Sec. 20. Minnesota Statutes 2020, section 504B.335, is amended to read:

504B.335 ANSWER; TRIAL.

(a) At the court appearance specified in the summons, the defendant may answer the complaint, either orally or in writing, and the court shall ~~hear and decide the action, unless it grants a continuance of the trial as provided in section 504B.341-;~~

(1) dismiss the action;

(2) approve a settlement between the parties;

(3) schedule a trial for no fewer than ten days after the appearance; or

(4) continue the matter for other hearings the court deems appropriate.

(b) If any defendant fails to appear at the scheduled court appearance, the court shall review the court records and determine whether the complaint was properly served pursuant to section 504B.331. The court shall:

(1) dismiss the case for improper service;

(2) proceed with a trial on the allegations in the complaint; or

(3) schedule and provide notice to all parties of the date and time of a trial.

(c) When scheduling a trial, the court must consider all aspects of the case, including the complexity of the matter; the need for parties to obtain discovery; the need for parties to secure the presence of witnesses; the opportunity for the defendant to seek legal counsel, apply for any emergency financial assistance that may be available, or both; and any extenuating factors enumerated under section 504B.171.

(d) The parties shall cooperate with reasonable informal discovery requests by another party.

~~(b)~~ (e) Either party may demand a trial by jury.

~~(e)~~ (f) The proceedings in the action are the same as in other civil actions, except as provided in sections 504B.281 to 504B.371.

~~(d) The court, in scheduling appearances and hearings under this section, shall give priority to any eviction brought under section 504B.171, or on the basis that the defendant is a tenant and is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.~~

(g) Nothing in this section affects the rights of a landlord under section 504B.321, subdivision 2.

(h) The court may not require the defendant to pay any amount of money into court, post a bond, or by any other means post security for any purpose prior to final disposition of the action, except for appeals as provided in section 504B.371.

Sec. 21. **[504B.337] ENFORCEMENT OF SETTLEMENT AGREEMENTS.**

Subdivision 1. **Notice of compliance with settlement agreement.** A party who believes the other party has failed to comply with a court-approved settlement agreement may seek judicial enforcement of the agreement after serving upon the other party an affidavit. A party may file an affidavit that sets forth the specific facts constituting the alleged settlement violation. The party must serve this affidavit on all other parties.

Subd. 2. **Adjudication.** The court may schedule a hearing on the evidence or make a determination based on any filings and evidence submitted by the parties on the issue.

Subd. 3. **Stay of writ of recovery.** No writ of recovery shall be issued until the hearing has been held and a judgment on the matter entered.

Sec. 22. Minnesota Statutes 2020, section 504B.345, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) If the court or jury finds for the plaintiff, the court shall immediately enter judgment that the plaintiff shall have recovery of the premises, and shall tax the costs against the defendant. The court shall issue execution in favor of the plaintiff for the costs and also immediately issue a writ of recovery of premises and order to vacate.

(b) The court shall give priority in issuing a writ of recovery of premises and order to vacate for an eviction action brought under section 504B.171 or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.

(c) If the court or jury finds for the defendant, the court:

(1) ~~the court~~ shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution in favor of the defendant; ~~and~~

(2) ~~the court may~~ must expunge the records relating to the action under the provisions of section 484.014 or under the court's inherent authority at the time judgment is entered or after that time upon motion of the defendant; and

(3) may order relief as provided in section 504B.425, including retroactive rent abatement.

(d) Except in actions brought: (1) under section 504B.291 as required by section 609.5317, subdivision 1; (2) under section 504B.171; or (3) on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property, ~~upon a showing by the defendant that immediate restitution of the premises would work a substantial hardship upon the defendant or the defendant's family,~~ the court shall stay the writ of recovery of premises and order to vacate for ~~a reasonable period, not to exceed seven days~~ a minimum of seven days. In establishing the period of the stay, the court must consider extenuating circumstances or any hardships that would be suffered by the defendant.

(e) This section applies to any writ of recovery issued at the conclusion of a trial pursuant to section 504B.335, paragraph (a) or (b).

Sec. 23. Minnesota Statutes 2020, section 504B.345, is amended by adding a subdivision to read:

Subd. 3. **Motion to vacate judgment.** Notwithstanding any other law to the contrary, the defendant may bring a motion to vacate a judgment in an eviction action and may appeal an order denying a motion to vacate a judgment to the same extent and under the same guidelines as a party to any other civil action.

Sec. 24. Minnesota Statutes 2020, section 504B.361, subdivision 1, is amended to read:

Subdivision 1. **Summons and writ.** The state court administrator shall develop a uniform form for the summons and writ of recovery of premises and order to vacate. The summons shall conform to the requirements enumerated under section 504B.321, subdivision 1a. The writ of recovery of premises and order to vacate must include:

(1) the following statement: "If you want to seek legal help and can't afford a lawyer, free legal help may be available. Contact your local Legal Aid office or visit the LawHelpMN website at www.LawHelpMn.org for information and referrals"; and

(2) the following statement: "To apply for financial assistance or other social services, contact your local county or Tribal social services office or call the United Way toll-free information line by dialing 211."

Sec. 25. Minnesota Statutes 2020, section 504B.371, subdivision 4, is amended to read:

Subd. 4. **Stay pending appeal.** After the appeal is taken, all further proceedings in the case are stayed, ~~except as provided in subdivision 7.~~

Sec. 26. Minnesota Statutes 2020, section 504B.371, subdivision 5, is amended to read:

Subd. 5. **Stay of writ issued before appeal.** (a) ~~Except as provided in subdivision 7,~~ If the court issues a writ for recovery of premises and order to vacate before an appeal is taken, the appealing party may request that the court stay further proceedings and execution of the writ for possession of premises and order to vacate, and the court shall grant a stay.

(b) If the party appealing remains in possession of the premises, that party must give a bond under subdivision 3.

(c) When the officer who has the writ for possession of premises and order to vacate is served with the order granting the stay, the officer shall cease all further proceedings. If the writ for possession of premises and order to vacate has not been completely executed, the defendant shall remain in possession of the premises until the appeal is decided.

Sec. 27. Minnesota Statutes 2020, section 504B.371, subdivision 7, is amended to read:

Subd. 7. **Exception.** Subdivisions 1, 4, and 6 do not apply in an action ~~on a lease, against a tenant holding over after the expiration of the term of the lease, or a termination of the lease by a notice to quit,~~ where the plaintiff has prevailed on a claim pursuant to section 504B.171, subdivision 2, if the plaintiff gives a bond conditioned to pay all costs and damages if on the appeal the judgment of restitution is reversed and a new trial ordered. In such a case, the court shall issue a writ for recovery of premises and order to vacate notwithstanding the notice of appeal, as if no appeal had been taken, and the appellate court shall issue all needful writs and processes to carry out any judgment which may be rendered in the court.

Sec. 28. Minnesota Statutes 2020, section 504B.375, subdivision 1, is amended to read:

Subdivision 1. **Unlawful exclusion or removal.** (a) This section applies to actual or constructive removal or exclusion of a residential tenant which may include the termination of utilities or the removal of doors, windows, or locks. A residential tenant to whom this section applies may recover possession of the premises as described in paragraphs (b) to (e).

(b) The residential tenant shall present a verified petition to the district court of the judicial district of the county in which the premises are located that:

(1) describes the premises and the landlord;

(2) specifically states the facts and grounds that demonstrate that the exclusion or removal was unlawful, including a statement that no writ of recovery of the premises and order to vacate has been issued under section 504B.345 in favor of the landlord and against the residential tenant and executed in accordance with section 504B.365; and

(3) asks for possession.

(c) If it clearly appears from the specific grounds and facts stated in the verified petition or by separate affidavit of the residential tenant or the residential tenant's attorney or agent that the exclusion or removal was unlawful, the court shall immediately order that the residential tenant have possession of the premises.

(d) The residential tenant shall furnish security, if any, that the court finds is appropriate under the circumstances for payment of all costs and damages the landlord may sustain if the order is subsequently found to have been obtained wrongfully. In determining the appropriateness of security, the court shall consider the residential tenant's ability to afford monetary security.

(e) The court shall direct the order to the sheriff of the county in which the premises are located and the sheriff shall execute the order immediately by making a demand for possession on the landlord, if found, or the landlord's agent or other person in charge of the premises. If the landlord fails to comply with the demand, the officer shall take whatever assistance may be necessary and immediately place the residential tenant in possession of the premises. If the landlord, the landlord's agent, or other person in control of the premises cannot be found and if there is no person in charge, the officer shall immediately enter into and place the residential tenant in possession of the premises. The officer shall also serve the order and verified petition or affidavit immediately upon the landlord or agent, in the same manner as a summons is required to be served in a civil action in district court.

(f) The court administrator may charge a filing fee in the amount set for complaints and counterclaims in conciliation court, subject to the filing of an inability to pay affidavit.

Sec. 29. Minnesota Statutes 2020, section 504B.381, subdivision 1, is amended to read:

Subdivision 1. **Petition.** A person authorized to bring an action under section 504B.395, subdivision 1, may petition the court for relief ~~in cases of emergency involving the loss of running water, hot water, heat, electricity, sanitary facilities, or other essential services or facilities that the landlord is responsible for providing.:~~

(1) when a unit of government has issued a condemnation order or a notice of intent to condemn; or

(2) in cases of emergency involving the following services and facilities when the landlord is responsible for providing them:

(i) a serious infestation;

(ii) the loss of running water;

(iii) the loss of hot water;

(iv) the loss of heat;

(v) the loss of electricity;

(vi) the loss of sanitary facilities;

(vii) a nonfunctioning refrigerator;

(viii) if included in the lease, a nonfunctioning air conditioner;

(ix) if included in the lease, no functioning elevator;

(x) any conditions, services, or facilities that pose a serious and negative impact on health or safety; or

(xi) other essential services or facilities.

Sec. 30. Minnesota Statutes 2020, section 504B.381, subdivision 5, is amended to read:

Subd. 5. **Relief; service of petition and order.** Provided proof that the petitioner has given the notice required in subdivision 4 to the landlord, if the court finds based on the petitioner's emergency ex parte motion for relief, affidavit, and other evidence presented that the landlord violated subdivision 1, then the court shall order that the landlord immediately begin to remedy the violation and may order relief as provided in section 504B.425. The court and petitioner shall serve the petition and order on the landlord personally or by mail as soon as practicable. The court shall include notice of a hearing and, at the hearing, shall consider evidence of alleged violations, defenses, compliance with the order, and any additional relief available under section 504B.425. The court and petitioner shall serve the notice of hearing on the ex parte petition and emergency order personally or by mail as soon as practicable.

Sec. 31. Minnesota Statutes 2020, section 504B.381, is amended by adding a subdivision to read:

Subd. 8. **Filing fee.** The court administrator may charge a filing fee in the amount set for complaints and counterclaims in conciliation court, subject to the filing of an inability to pay affidavit.

Sec. 32. **REPEALER.**

Minnesota Statutes 2020, section 504B.341, is repealed.

Sec. 33. **EFFECTIVE DATE.**

Sections 5, 14, 15, 19 to 27, and 32 are effective August 1, 2021, and apply to actions filed on or after that date.

ARTICLE 7
MANUFACTURED HOMES

Section 1. **[168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY OWNED BY COOPERATIVE.**

Subdivision 1. **Certificates surrendered for cancellation; cooperatives.** (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota cooperative, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an improvement to real property. An affidavit of affixation by the owner of the manufactured home must include the following information:

(1) the name, residence address, and mailing address of owner or owners of the manufactured home;

(2) the legal description of the real property in which the manufactured home is, or will be, located;

(3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;

(4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid or are not applicable; and

(5) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.

(b) A certified copy of the affidavit must be delivered to the county auditor of the county in which the real property to which the manufactured home was affixed is located.

(c) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

Subd. 2. **Affidavit form; cooperatives.** An affidavit of affixation must be in substantially the following form and must contain the following information:

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIVE

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

.....

<u>New/Used</u>	<u>Year</u>	<u>Manufacturer's Name</u>	<u>Model Name or Model No.</u>	<u>Manufacturer's Serial No.</u>	<u>Length/Width</u>
-----------------	-------------	----------------------------	--------------------------------	----------------------------------	---------------------

2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is attached.

3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached.

4. The home is or will be located at the following "Property Address":

.....

Street or Route City County..... State Zip Code

5. The legal description of the property address ("land") is as follows or as attached hereto:

.....
.....
.....

6. The owner of the land is a Minnesota nonprofit corporation or Minnesota cooperative that owns the land and whose membership entitles the homeowner to occupy a specific portion of the land.

7. The home is, or will be promptly upon delivery, anchored to the land by attachment to a permanent foundation and connected to appropriate residential utilities (e.g., water, gas, electricity, sewer).

8. The homeowner intends that the home be an immovable permanent improvement to the land, free of any personal property security interest.

9. A copy of the written statement from the county auditor or county treasurer of the county in which the manufactured home is then located, stating that all property taxes payable in the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph (b)), have been paid, or are not applicable, is attached.

10. The home is intended to be assessed and taxed as an improvement to the land.

Signed and sworn to (or affirmed) before me on (date) by (names of homeowner(s))

.....
Homeowner Signature

.....
Address

.....
Printed Name

.....
City, State

.....
Homeowner Signature (if applicable)

.....
Printed Name

This instrument was drafted by, and when recorded return to:

.....
.....
.....

Subscribed and sworn to before me thisday of,

.....
Signature of Notary Public or Other Official

Notary Stamp or Seal

(optional)

Lender's Statement of Intent:

The undersigned ("lender") intends that the home be immovable and a permanent improvement to the land free of any personal property security interest.

.....
Lender
By:.....
Authorized Signature
STATE OF
.....) ss:
COUNTY OF

On the day of in the year before me, the undersigned, a Notary Public in and for said state, personally appeared

.....
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

.....
Notary Signature
.....
Notary Printed Name
Notary Public, State of
Qualified in the County of
My commission expires

Official seal:

[only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:

The undersigned is the of, a Minnesota [nonprofit corporation or cooperative], which owns the land described above. I hereby certify that the homeowner described above is a member of the [nonprofit corporation or cooperative] whose membership entitles the homeowner to occupy [insert legal description of the homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted by Minnesota Statutes, section 168A.1411, subdivision 5, Lot shown on such scaled drawing].

.....
Signature block for nonprofit or cooperative

.....
Acknowledgment of officer of nonprofit or cooperative

Subd. 3. Perfected security interest prevents surrender. The department may not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department must notify the owner that each secured party must release or satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate of origin or certificate of title to the department for cancellation. Permanent attachment to real property or the recording of an affidavit of affixation does not extinguish an otherwise valid security interest in or tax lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including the release of any security interest, have been satisfied.

Subd. 4. Notice of security interest. When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

Subd. 5. Scaled drawing. (a) If the portion of the land occupied by the homeowner has not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded against the land a scaled drawing prepared by a licensed professional land surveyor who shall certify that:

- (1) the scaled drawing accurately depicts all information required by this subdivision; and
- (2) the work was undertaken by, or reviewed and approved by, the certifying land surveyor.

(b) The scaled drawing shall show:

- (1) the dimensions and location of all existing material structural improvements and roadways;
- (2) the extent of any encroachments by or upon any portion of the land;
- (3) the location and dimensions of all recorded easements within the land burdening any portion of the land;
- (4) the distance and direction between noncontiguous parcels of real estate;

(5) the location and dimensions of the front, rear, and side boundaries of each lot that a member of the cooperative or nonprofit corporation has a right to occupy and that lot's unique lot number; and

(6) the legal description of the land.

Sec. 2. **[168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

Subdivision 1. **Manufactured home as real property.** A manufactured home may be made an improvement to real property, and no longer titled as personal property, pursuant to this section. A manufactured home constitutes an improvement to real property when:

(1) the manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to the real property;

(2) the certificate of title is surrendered and canceled pursuant to subdivision 2, or the manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and

(3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder or registrar of titles, as applicable.

Subd. 2. **Surrender of certificate of title.** (a) The owner of the manufactured home may surrender the manufacturer's certificate of title to the commissioner for cancellation. Upon receipt of the certificate of title, the commissioner must issue notice of cancellation to the owner of the manufactured home. In the event the certificate of title is lost, stolen, mutilated, destroyed, or becomes illegible, the owner may submit a written request for cancellation of the title which includes the serial number of the manufactured home and states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible. Upon receipt of the request and verification of ownership in Driver and Vehicle Services Division records, the commissioner must issue notice of cancellation to the owner of the manufactured home and must not require the owner to deliver the certificate of title or obtain a duplicate certificate of title. After canceling a certificate of title, the commissioner must not allow transfer of the title to the manufactured home as personal property. The commissioner must not require the owner of the manufactured home to deliver the affidavit of affixation described in subdivision 5 in order for the commissioner to issue notice of cancellation.

(b) The commissioner must not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the commissioner must notify the owner of the manufactured home that each secured party must release or satisfy the security interest prior to cancellation of the certificate of title by the commissioner. Affixing the manufactured home to real property or recording an affidavit of affixation without cancellation of the certificate of title does not extinguish an otherwise valid security interest in or tax lien on the manufactured home.

Subd. 3. **Surrender of manufacturer's certificate of origin.** The owner of the manufactured home may surrender the manufacturer's certificate of origin to the commissioner for cancellation. Upon delivery of the original certificate of origin, the commissioner must issue notice of cancellation to the owner of the manufactured home. The commissioner must not issue a certificate of title for a manufactured home if the manufacturer's certificate of origin is or has been canceled under this subdivision, except as provided in section 168A.142. The commissioner must not require the owner of the manufactured home to deliver the affidavit of affixation described in subdivision 5 in order for the commissioner to cancel the certificate of origin.

Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the commissioner under this section if the documents presented appear to satisfy the requirements of this section. The commissioner has no obligation to investigate the accuracy of statements contained in the documents to verify that the manufactured home has been affixed to the real property.

Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the following form and must contain the following information and attachments described in the form. The county recorder or registrar of titles, as applicable, must accept any such affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of the recorded affidavit of affixation to the county auditor of the county for the real property described therein or otherwise inform the county auditor that the home is to be taxed as an improvement to the real property to which it is affixed:

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141 2

..... ("Affiant"), being first duly sworn, on oath states, or affirms under penalties of perjury that:

1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

Manufacturer's name:
Make:
Model number:
Model year:
Serial number:
Dimensions:
Other descriptive information (if any):

2. The Manufactured Home is or will be (check one) affixed, in accordance with Minnesota Statutes, section 273.125, subdivision 8, to real property in County, Minnesota, with the street address of:

Street or route:
City:
State:
Zip code:

and legally described as follows ("Land"):
.....
.....
.....

Check here if all or part of the described real property is Registered (Torrens)

3. A copy of the notice of cancellation issued from the Minnesota Department of Public Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412, subdivision 2 or 3, is attached.

4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.

5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an improvement to real property, no longer titled as personal property, and free of any personal property security interest.

Affiant

.....
(Signature)

Signed and sworn to (or affirmed) before me this day of,

Notary Stamp or Seal

.....
Signature of notarial officer Title (and Rank):
My commission expires:

This instrument was drafted by, and when recorded
return to

.....

Subd. 6. **Notice of security interest.** When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

Sec. 3. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

Subd. 8. Manufactured homes; sectional structures. (a) In this section, "manufactured home" means a structure transportable in one or more sections, which is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and contains the plumbing, heating, air conditioning, and electrical systems in it. Manufactured home includes any accessory structure that is an addition or supplement to the manufactured home and, when installed, becomes a part of the manufactured home.

(b) Except as provided in paragraph (c), a manufactured home that meets each of the following criteria must be valued and assessed as an improvement to real property, the appropriate real property classification applies, and the valuation is subject to review and the taxes payable in the manner provided for real property:

(1) ~~the owner of the unit holds~~ title to the land on which it is situated is held by: (i) the owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to which the owner is a member;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34, and rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(c) A manufactured home that meets each of the following criteria must be assessed at the rate provided by the appropriate real property classification but must be treated as personal property, and the valuation is subject to review and the taxes payable in the manner provided in this section:

(1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is located in a manufactured home park but is not the homestead of the park owner;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code contained in sections 327.31 to 327.34, and the rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(d) Sectional structures must be valued and assessed as an improvement to real property if the owner of the structure holds title to the land on which it is located or is a qualifying lessee of the land under section 273.19. In this paragraph "sectional structure" means a building or structural unit that has been in whole or substantial part manufactured or constructed at an off-site location to be wholly or partially assembled on site alone or with other units and attached to a permanent foundation.

(e) The commissioner of revenue may adopt rules under the Administrative Procedure Act to establish additional criteria for the classification of manufactured homes and sectional structures under this subdivision.

(f) A storage shed, deck, or similar improvement constructed on property that is leased or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer is taxable as provided in this section. In the case of property that is leased or rented as a site for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered personal property under this paragraph is taxable only if its total estimated market value is over \$10,000. The property is taxable as personal property to the lessee of the site if it is not owned by the owner of the site. The property is taxable as real estate if it is owned by the owner of the site. As a condition of permitting the owner of the manufactured home, sectional structure, park trailer, or travel trailer to construct improvements on the leased or rented site, the owner of the site must obtain the permanent home address of the lessee or user of the site. The site owner must provide the name and address to the assessor upon request.

Sec. 4. [327C.097] OPPORTUNITY TO PURCHASE.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Cooperative" means a cooperative organized under chapter 308A or 308B.

(c) "Nonprofit" means a nonprofit organization under chapter 317A.

(d) "Representative" has the meaning given in section 327C.01, subdivision 8a.

Subd. 2. **Scope.** This section does not apply where the conveyance of the manufactured home park is by a:

(1) taking by eminent domain;

(2) transfer by a corporation to an affiliate;

(3) foreclosure;

(4) transfer by a partnership to one or more of its partners; or

(5) sale or transfer to a person who would be an heir of the owner who dies intestate.

Subd. 3. **Notice of sale.** (a) No park owner may accept any offer for the sale, lease, or transfer of a manufactured home park without first giving 60 days' written notice by certified mail, return receipt requested, of the proposed sale, lease, or transfer to:

(1) each resident of the manufactured home park; and

(2) the Minnesota Housing Finance Agency.

(b) The notice required under this subdivision must be dated and indicate the price, terms, and conditions of an acceptable offer the park owner has received to sell, lease, or transfer the manufactured home park. The notice must include the following verbatim statement: "The park owner has received and is prepared to accept an outside offer to [sell, lease, transfer] this park. The price, terms, and conditions of the offer are listed below. Before accepting the offer for the [sale, lease, transfer], the park owner will consider any offer submitted within 60 days of the date of this notice by a representative. The owner will negotiate in good faith with the representative. [List of price, terms, and conditions.]"

(c) An owner must make available upon the request of a resident a copy of any acceptable agreement to sell, lease, or transfer the manufactured home park for a period of 60 days following the date of the notice required under this subdivision. The owner must provide the copy within three days of the request by the resident.

Subd. 4. **Residents' representative offer to purchase.** (a) A representative may submit a written offer to the park owner to purchase the manufactured home park subject to the conditions required under subdivision 7. The offer must be submitted within 60 days of the postmark date of the notice required under subdivision 3, by certified mail, return receipt requested.

(b) If the owner rejects the representative's offer, the owner must provide written notice to the representative of, and an explanation of the reasons for, rejection of the offer. The notice of rejection must be delivered to the representative by certified mail within five days of receipt of the offer from the representative. No owner may accept a final, unconditional offer for the sale, lease, or transfer of a manufactured home park earlier than on the 31st day following the certified delivery date of the notice of rejection.

Subd. 5. **Optional recording.** (a) A park owner may record with the county recorder or registrar of titles in the county where the park is located an affidavit, with a copy of the notice required under subdivision 3 attached, attesting:

(1) the park owner has complied with the requirements of this section; or

(2) the sale, lease, or transfer of the manufactured home park is exempt from this section pursuant to subdivision 2.

(b) An affidavit filed in accordance with this subdivision shall be presumptive evidence of compliance for purposes of conveying good title to a bona fide purchaser.

(c) The representative who makes an offer to purchase the park as provided under subdivision 4 may record notice of the offer in the county recorder's office.

Subd. 6. **Good faith obligations.** All transactions governed by, and all actions taken pursuant to, this section must be conducted in good faith.

Subd. 7. **Requirement of affordable housing preservation.** (a) A representative who purchases a park under this section shall maintain the property for a period of at least 50 years following the closing date of the purchase as:

(1) a manufactured home park;

(2) a combination of manufactured homes and nonmanufactured home single dwelling units contained in one-family, two-family, or multifamily dwellings affordable for low-income households; or

(3) all nonmanufactured home single dwelling units contained in one-family, two-family, or multifamily dwellings affordable for low-income households.

(b) For the purposes of this section:

(1) "affordable" has the meaning given in Code of Federal Regulations, title 24, section 81.15; and

(2) "low-income households" has the meaning given in Code of Federal Regulations, title 24, section 570.3.

(c) The deed to the representative must contain a covenant running with the land that requires the property to meet at least one of the conditions specified in paragraph (a) for at least 50 years from the date of the deed transfer.

Subd. 8. **Challenge to petition.** In any action challenging the validity of the signatories of the petition authorizing a representative to represent residents in negotiations to purchase a manufactured home park, there shall be a rebuttable presumption that the challenged party's signature is sufficient evidence that the party is a valid signatory.

Subd. 9. **Remedies.** (a) A park owner who violates subdivision 3, 4, or 6 is liable to each resident for actual, incidental, or consequential damages, plus attorney fees and costs.

(b) In addition to the remedies that a resident is entitled to under paragraph (a), a court may grant declaratory, injunctive, or equitable relief.

(c) The remedies provided under this subdivision are cumulative, not exclusive, and do not restrict any remedy that is otherwise available to a plaintiff at law or in equity.

Subd. 10. **List of interested organizations.** The Minnesota Housing Finance Agency must:

(1) within ten days of receipt of a notice received under subdivision 3, distribute a copy of the notice to nonprofit organizations that register with the Minnesota Housing Finance Agency to receive such notices; and

(2) make the list of nonprofit organizations that have so registered publicly available on the Minnesota Housing Finance Agency's website.

Sec. 5. **REVISOR INSTRUCTION.**

The revisor of statutes must change all cross-references to Minnesota Statutes, section 168A.141, to instead reference Minnesota Statutes, section 168A.1412.

Sec. 6. **REPEALER.**

(a) Minnesota Statutes 2020, section 327C.096, is repealed.

(b) Minnesota Statutes 2020, section 168A.141, is repealed."

Delete the title and insert:

"A bill for an act relating to housing; establishing a budget for the Minnesota Housing Finance Agency; adopting housing finance agency policy provisions; expanding eligibility requirements for certain affordable housing, workforce housing, and disaster recovery programs; increasing the agency debt limit; increasing the individual and family household income limits under the community land trusts program; expanding requirements and uses and loan amount under the rehabilitation loan program; expanding allowable uses of housing infrastructure bonds; refunding certain deposits to bond issuers; creating the lead safe homes grant program; creating the Naturally Occurring Affordable Housing grant program; establishing a task force on shelter resident rights and shelter provider practices; expanding rental lease covenants and remedies available to tenants; expanding accommodation requirements for service and support animals; expanding procedural and reporting requirements for evictions; limiting public access to pending eviction actions; expanding eligibility for certain expungements of eviction case files; permitting manufactured homes affixed to certain property to be deemed an improvement to real property; providing residents an opportunity to purchase manufactured home parks; making technical and conforming changes; appropriating money; amending Minnesota Statutes 2020, sections 12A.09, subdivision 3; 256C.02; 273.11, subdivision 12; 273.125, subdivision 8; 363A.09, subdivision 5; 462A.05, subdivisions 14, 14a, by adding a subdivision; 462A.07, subdivision 2; 462A.204, subdivision 3; 462A.22, subdivision 1; 462A.30, subdivision 9; 462A.37, subdivisions 1, 2; 462A.38, subdivision 1; 462A.39, subdivisions 2, 5; 474A.21; 484.014, subdivisions 2, 3; 504B.001, subdivision 4; 504B.135; 504B.161, subdivision 1; 504B.211, subdivisions 2, 6; 504B.241, subdivision 4; 504B.245; 504B.321; 504B.331; 504B.335; 504B.345, subdivision 1, by adding a subdivision; 504B.361, subdivision 1; 504B.371, subdivisions 4, 5, 7; 504B.375, subdivision 1; 504B.381, subdivisions 1, 5, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168A; 327C; 462A; 504B; repealing Minnesota Statutes 2020, sections 168A.141; 327C.096; 504B.341."

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

The report was adopted.

Lillie from the Committee on Legacy Finance to which was referred:

H. F. No. 1079, A bill for an act relating to state government; appropriating money from clean water, parks and trails, and arts and cultural heritage funds; modifying and extending prior appropriations; requiring reports.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
OUTDOOR HERITAGE FUND

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2022, and June 30, 2023, respectively. The "first year" is fiscal year 2022. The "second year" is fiscal year 2023. The "biennium" is fiscal years 2022 and 2023. The appropriations in this article are onetime appropriations.

APPROPRIATIONS
Available for the Year
Ending June 30
2022 2023

Sec. 2. **OUTDOOR HERITAGE FUND**

Subdivision 1. **Total Appropriation**

\$130,837,000

\$557,000

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

Subd. 2. **Prairies**

42,784,000

-0-

(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition, Phase XIII

\$1,948,000 the first year is to the commissioner of natural resources to acquire in fee and restore and enhance lands for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Program, Phase XIII

\$4,715,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore and enhance lands for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project, Phase XI

\$2,794,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee and restore and enhance native prairie, grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under

Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days after The Nature Conservancy's fiscal year closes. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. Land acquisitions must be consistent with the priorities identified in the Minnesota Prairie Conservation Plan.

(d) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition, Phase XII

\$3,280,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee or permanent conservation easements and restore and enhance lands in the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. Land acquisitions must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Cannon River Watershed Habitat Complex, Phase X

\$2,623,000 the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land, in cooperation with Great River Greening and the Cannon River Watershed Partnership, to acquire land in fee in the Cannon River watershed for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for aquatic management purposes under Minnesota Statutes, section 86A.05, subdivision 14; to acquire land in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; to acquire land in fee for state forests under Minnesota Statutes, section 86A.05, subdivision 7, and county forests; and to restore and enhance lands in the Cannon River watershed. Of this amount, \$1,784,000 is to The Trust for Public Land; \$687,000 is to Great River Greening; and \$152,000 is to the Cannon River Watershed Partnership. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions and restorations must be provided as part of the required accomplishment plan.

(f) Accelerated Native Prairie Bank Protection, Phase VIII

\$884,000 the first year is to the commissioner of natural resources to acquire permanent conservation easements to protect and restore native prairie according to the Minnesota Prairie Conservation Plan. Of this amount, up to \$120,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(g) RIM Buffers for Wildlife and Water, Phase IX

\$4,170,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore habitat under Minnesota Statutes, section 103F.515, to protect, restore, and enhance habitat, including by expanding the riparian buffer and floodplain program under the clean water fund for wildlife benefits from buffers on private land. Of this amount, up to \$195,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Prairie Chicken Habitat Partnership of Southern Red River Valley, Phase VII

\$2,264,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and to restore and enhance lands in the southern Red River Valley for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl production areas in Minnesota in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Accelerating USFWS Habitat Conservation Easement Program, Phase III

\$4,752,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited, in cooperation with Pheasants Forever and the United States Fish and Wildlife

Service, to acquire permanent conservation working lands easements and to restore wetlands and prairie grasslands. Of this amount, \$3,153,000 is to Ducks Unlimited and \$1,599,000 is to Pheasants Forever. A list of proposed acquisitions and restorations must be provided as part of the required accomplishment plan.

(j) Martin County DNR WMA Acquisition, Phase V

\$2,864,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and restore and enhance strategic prairie grassland, wetland, and other wildlife habitat in Martin and Watonwan counties for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8, as follows: \$2,181,000 to Fox Lake Conservation League, Inc; \$592,000 to Ducks Unlimited; and \$91,000 to the Conservation Fund. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(k) RIM Grasslands Reserve, Phase III

\$4,354,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore and enhance grassland habitat under Minnesota Statutes, sections 103F.501 to 103F.531. Of this amount, up to \$91,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(l) DNR Grassland Enhancement, Phase XIII

\$3,534,000 the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairies, grasslands, and savannas in wildlife management areas, in scientific and natural areas, in aquatic management areas, on lands in the native prairie bank, in bluff prairies on state forest land in southeastern Minnesota, and in waterfowl production areas and refuge lands of the United States Fish and Wildlife Service. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(m) Enhanced Public Land - Grasslands, Phase V

\$1,951,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore grassland and wetland habitat on public lands. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(n) Anoka Sand Plain Habitat Conservation, Phase VII

\$2,651,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife habitat on public lands and easements in the Anoka Sand Plain ecoregion and intersecting minor watersheds as follows: \$418,000 is to the Anoka Conservation District; \$700,000 is to Great River Greening; \$233,000 is to The Nature Conservancy; and \$1,300,000 is to Minnesota Land Trust, of which up to \$168,000 to Minnesota Land Trust is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. Forests12,476,000-0-**(a) Southeast Minnesota Protection and Restoration, Phase IX**

\$4,068,000 the first year is to the commissioner of natural resources for agreements as follows: (1) \$1,294,000 to The Nature Conservancy to acquire lands in fee for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; for state forests under Minnesota Statutes, section 86A.05, subdivision 7; for aquatic management areas under Minnesota Statutes, section 86A.05, subdivision 14; and to restore and enhance wildlife habitat; (2) \$1,393,000 to The Trust for Public Land to acquire lands in fee for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; for state forests under Minnesota Statutes, section 86A.05, subdivision 7; and for aquatic management areas under Minnesota Statutes, section 86A.05, subdivision 14; and (3) \$1,381,000 to Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance wildlife habitat, of which up to \$168,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Minnesota Forests for the Future, Phase VIII

\$2,971,000 the first year is to the commissioner of natural resources to acquire lands in conservation easements and to restore and enhance forests, wetlands, and shoreline habitat through working forest permanent conservation easements under the Minnesota forests for the future program according to Minnesota

Statutes, section 84.66. A conservation easement acquired with money appropriated under this paragraph must comply with Minnesota Statutes, section 97A.056, subdivision 13. The accomplishment plan must include an easement monitoring and enforcement plan. Of this amount, up to \$160,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. A list of permanent conservation easements must be provided as part of the final report.

(c) Camp Ripley Sentinel Landscape ACUB Protection Program, Phase IX

\$1,043,000 the first year is to the Board of Water and Soil Resources, in cooperation with the Morrison County Soil and Water Conservation District, to acquire permanent conservation easements and restore and enhance forest wildlife habitat within the boundaries of the Minnesota National Guard Camp Ripley Sentinel Landscape and Army Compatible Use Buffer. Up to \$59,000 to the Board of Water and Soil Resources is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) DNR Forest Habitat Enhancement, Phase II

\$1,338,000 the first year is to the commissioner of natural resources to restore and enhance wildlife habitat in the northern forest region on wildlife management areas, scientific and natural areas, aquatic management areas, and state forests. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(e) Floodplain Forest Enhancement, Phase IV

\$1,247,000 the first year is to the commissioner of natural resources for an agreement with the National Audubon Society to restore and enhance floodplain forest habitat for wildlife on public lands along the Mississippi River and Mississippi River tributaries. A list of restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Moose Habitat Collaborative - NE MN Forest Habitat Enhancement, Phase IV

\$1,809,000 the first year is to the commissioner of natural resources for an agreement with the Ruffed Grouse Society to restore and enhance public forest lands in the northern forest

region for moose habitat purposes. A list of proposed land restoration and enhancements must be provided as part of the required accomplishment plan.

Subd. 4. Wetlands

22,389,000

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(a) Accelerating Waterfowl Production Area Acquisition Program, Phase XIII

\$3,869,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas in Minnesota. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Shallow Lake and Wetland Protection and Restoration Program, Phase X

\$4,581,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8, and to restore and enhance prairie lands, wetlands, and land buffering shallow lakes. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) RIM Wetlands, Phase X

\$3,051,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to \$59,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Wetland Habitat Protection and Restoration Program, Phase VI

\$3,088,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and restore and enhance prairie, wetland, and other habitat on permanently protected conservation easements in high-priority wetland habitat complexes in the prairie and forest/prairie transition regions. Of this amount, up to \$288,000 is to establish a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed

conservation easement acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(e) Wild Rice Shoreland Protection, Phase VI

\$1,251,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements on shoreland habitat of wild-rice lakes for protecting native wild rice beds. Of this amount, up to \$78,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(f) Accelerated Shallow Lakes and Wetland Enhancement, Phase XII

\$2,589,000 the first year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(g) Living Shallow Lake Enhancement and Wetland Restoration Initiative, Phase VII

\$3,960,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes and wetlands on public lands and wetlands under permanent conservation easements for wildlife management. A list of proposed shallow lake enhancements and wetland restorations must be provided as part of the required accomplishment plan.

Subd. 5. **Habitats**

52,254,000

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(a) St. Croix Watershed Habitat Protection and Restoration, Phase II

\$3,112,000 the first year is to the commissioner of natural resources for agreements as follows: (1) \$1,494,000 to The Trust for Public Land to acquire land in fee; (2) \$1,493,000 to Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance natural habitat systems in the St. Croix River watershed. Of this amount, up to \$144,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17; and (3) \$125,000 to the St. Croix River Association to coordinate and administer the program under this paragraph. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(b) Metro Big Rivers, Phase XI

\$4,229,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries in the metropolitan area as follows: \$675,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$220,000 to Friends of the Mississippi River; \$684,000 to Great River Greening; \$800,000 to The Trust for Public Land; and \$1,850,000 to Minnesota Land Trust, of which up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(c) Lower Otter Tail River Corridor Habitat Restoration, Phase I

\$2,335,000 the first year is to the Board of Water and Soil Resources to acquire and restore land in permanent conservation easements along the lower Otter Tail River. Of this amount, \$275,000 is for an agreement with the Buffalo Red River Watershed District. Up to \$111,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes, Phase VII

\$2,838,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and in permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard counties as follows: \$975,000 to Northern Waters Land Trust; and \$1,863,000 to Minnesota Land Trust, of which up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(e) Mississippi Headwaters Habitat Corridor Project, Phase V

\$2,901,000 the first year is to acquire land in fee and permanent conservation easements and restore wildlife habitat in the Mississippi River headwaters. Of this amount, \$1,421,000 is to the Board of Water and Soil Resources, of which up to \$150,000 is for

establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17, and \$1,480,000 is to the commissioner of natural resources for agreements as follows: \$60,000 to the Mississippi Headwaters Board and \$1,420,000 to The Trust for Public Land. A list of proposed fee-title acquisitions must be included as part of the required accomplishment plan. A list of permanent conservation easements must be provided as part of the final report.

(f) Protecting Minnesota's Lakes of Outstanding Biological Significance

\$1,477,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire land in permanent conservation easements and to restore and enhance lakes of outstanding biological significance in northeast and north-central Minnesota. Of this amount, up to \$168,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(g) Riparian Habitat Protection in Kettle and Snake River Watersheds

\$1,435,000 the first year is to the Board of Water and Soil Resources to acquire and restore land in permanent conservation easements of high-quality forest, wetland, and shoreline habitat in the Kettle and Snake River watersheds. Of this amount, \$31,000 is for an agreement with the Pine County Soil and Water Conservation District. Up to \$72,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) DNR Trout Stream Conservation Easements

\$500,000 the first year is to the commissioner of natural resources to acquire land in permanent conservation easements to protect trout stream aquatic habitat. Of this amount, up to \$65,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the required accomplishment plan.

(i) Targeted RIM Easement Program to Individual Parcel: Pine and Leech Watersheds, Phase II

\$1,609,000 the first year is to acquire and restore land in fee and permanent conservation easements of high-quality forest, wetland, and shoreline habitat. Of this amount, \$1,065,000 is to the

commissioner of natural resources for an agreement with the Crow Wing County Soil and Water Conservation District and \$544,000 is to the Board of Water and Soil Resources. Up to \$26,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be included as part of the final report.

(j) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration, Phase XIII

\$1,033,000 the first year is to the commissioner of natural resources for an agreement with Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) DNR Aquatic Habitat Restoration and Enhancement, Phase IV

\$2,790,000 the first year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(l) St. Louis River Restoration Initiative, Phase VIII

\$2,024,000 the first year is to the commissioner of natural resources to restore and enhance priority aquatic, riparian, and forest habitats in the St. Louis River estuary. Of this amount, up to \$500,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(m) Shell Rock River Watershed Habitat Restoration Program, Phase X

\$1,547,000 the first year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee and to restore and enhance wildlife habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(n) Knife River Habitat Rehabilitation, Phase VI

\$467,000 the first year is to the commissioner of natural resources for an agreement with Zeitgeist, a nonprofit corporation, in cooperation with the Lake Superior Steelhead Association, to restore and enhance trout habitat in the Knife River watershed. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(o) Sauk River Watershed Habitat Protection and Restoration, Phase III

\$4,034,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance wildlife habitat in the Sauk River watershed as follows: \$1,034,000 to Sauk River Watershed District; \$1,618,000 to Pheasants Forever; and \$1,382,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(p) Klondike Clean Water Retention Project, Phase I

\$1,973,000 the first year is to the commissioner of natural resources for an agreement with the Two Rivers Watershed District to construct a multipurpose water impoundment project in Kittson and Roseau Counties to provide fish and wildlife habitat. A list of restoration and enhancement projects must be provided as part of the required accomplishment plan.

(q) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat, Phase XIII

\$13,450,000 the first year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, at least \$2,400,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater and at least \$3,000,000 is for grants to applicants that have not previously applied for money from the outdoor heritage fund. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of the total appropriation, \$625,000 may be spent for personnel costs, outreach and support to first time applicants, and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the

commissioner must, when evaluating projects of equal value, give priority to organizations that have a history of receiving, or a charter to receive, private contributions for local conservation or habitat projects. For grant requests to acquire land in fee or a conservation easement, the commissioner must give priority to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement or public ownership, or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2025. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

(r) DNR Roving Crews

\$4,500,000 the first year is to the commissioner of natural resources to restore and enhance fish and wildlife habitat on permanently protected lands statewide using the roving crew program of the Department of Natural Resources. A list of restoration and enhancement projects must be provided as part of the required accomplishment plan.

Subd. 6. **Administration**

934,000

557,000

(a) Contract Management

\$210,000 the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan.

(b) Legislative Coordinating Commission

\$546,000 the first year and \$553,000 the second year are to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensating and reimbursing expenses of council members. This appropriation is available until June 30, 2023. Minnesota Statutes, section 16A.281, applies to this appropriation.

(c) Technical Evaluation Panel

\$150,000 the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 25 restoration and enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(d) Legacy Website

\$3,000 the first year and \$4,000 the second year are to the Legislative Coordinating Commission for the website required under Minnesota Statutes, section 3.303, subdivision 10.

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

\$25,000 the first year is to the commissioner of natural resources to provide land acquisition pre-transaction services including but not limited to appraisals, surveys, or title research for acquisition proposals under consideration by the Lessard-Sams Outdoor Heritage Council. A list of activities must be included in the final accomplishment plan.

Subd. 7. Availability of Appropriation

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. For acquiring real property, the amounts in this section are available until June 30, 2025. Money for restoration or enhancement is available until June 30, 2026. Money for restoration and enhancement of land acquired with an appropriation in this article is available for four years after the acquisition date with a maximum end date of June 30, 2029. If a project receives at least 15 percent of its funding from federal funds, the time of the appropriation may be extended to equal the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan. Money appropriated

for acquiring land in fee title may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2021, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash-flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. Mapping

Each direct recipient of money appropriated in this section and each recipient of a grant awarded pursuant to this section must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping of any lands acquired in fee with funds appropriated in this section and open to public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

Subd. 10. Opportunities for Youth

(a) Each direct recipient of money appropriated in this section and each recipient of a grant awarded pursuant to this section must contact the commissioner of natural resources in writing to

determine whether opportunities to coordinate with recipients of grants under Minnesota Statutes, section 84.976, or other opportunities providing training and education to racially, ethnically, and economically diverse youth in the practical implementation of conservation practices that protect, restore, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife are available when implementing the projects funded in this section.

(b) Each direct recipient of money appropriated in this section and each recipient of a grant awarded pursuant to this section must contact Conservation Corps Minnesota in writing and consider use of their restoration and enhancement services.

(c) A copy of the written contacts required under this subdivision must be filed with the Lessard-Sams Outdoor Heritage Council within 15 days of execution.

Subd. 11. Carryforwards

(a) The availability of the appropriations for the following projects is extended to June 30, 2022:

(1) Laws 2016, chapter 172, article 1, section 2, subdivision 2, paragraph (j), for Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VIII;

(2) Laws 2016, chapter 172, article 1, section 2, subdivision 2, paragraph (k), for Anoka Sandplain Habitat Restoration and Enhancement - Phase IV;

(3) Laws 2016, chapter 172, article 1, section 2, subdivision 5, paragraph (h), for Sand Hill River Fish Passage - Phase II;

(4) Laws 2018, chapter 208, article 1, section 2, subdivision 2, paragraph (j), for Protect and Restore Minnesota's Important Bird Areas - Phase II, within the Tallgrass Aspen Parklands;

(5) Laws 2018, chapter 208, article 1, section 2, subdivision 3, paragraph (c), for Minnesota Forests for the Future - Phase VI;

(6) Laws 2016, chapter 172, article 1, section 2, subdivision 5, paragraph (b), for Metro Big Rivers Habitat - Phase VII; and

(7) Laws 2018, chapter 208, article 1, section 2, subdivision 5, paragraph (b), for Mississippi Headwaters Habitat Corridor Project - Phase IV.

(b) The availability of the appropriations for the following projects is extended to June 30, 2023:

(1) Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, paragraph (j), for Wild Rice River Corridor Habitat Restoration;

(2) Laws 2016, chapter 172, article 1, section 2, subdivision 5, paragraph (e), for Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase VIII;

(3) Laws 2016, chapter 172, article 1, section 2, subdivision 5, paragraph (j), for Roseau Lake Rehabilitation;

(4) Laws 2017, chapter 91, article 1, section 2, subdivision 5, paragraph (c), for Goose Prairie;

(5) Laws 2017, chapter 91, article 1, section 2, subdivision 5, paragraph (d), for Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase IX;

(6) Laws 2018, chapter 208, article 1, section 2, subdivision 2, paragraph (f), for Accelerated Native Prairie Bank Protection - Phase VII;

(7) Laws 2018, chapter 208, article 1, section 2, subdivision 2, paragraph (k), for Grassland Conservation Partnership - Phase III;

(8) Laws 2018, chapter 208, article 1, section 2, subdivision 3, paragraph (e), for Critical Shoreland Habitat Program - Phase V;

(9) Laws 2018, chapter 208, article 1, section 2, subdivision 5, paragraph (c), for Fisheries Habitat Protection on Strategic North Central Minnesota Lakes - Phase IV;

(10) Laws 2018, chapter 208, article 1, section 2, subdivision 5, paragraph (g), for Hennepin County Habitat Conservation Program; and

(11) Laws 2019, First Special Session chapter 2, article 1, section 2, subdivision 2, paragraph (e), for Lower Wild Rice Corridor Habitat Restoration - Phase II.

(c) The availability of the appropriation in Laws 2014, chapter 256, article 1, section 2, subdivision 5, paragraph (e), for Mustinka River Fish and Wildlife Habitat Corridor Rehabilitation, is extended to June 30, 2024.

Subd. 12. Extension of Certain Appropriations

(a) Notwithstanding Minnesota Statutes, section 16A.28, or any other law to the contrary, the availability of any appropriation or grant of money from the outdoor heritage fund that would otherwise cancel, lapse, or expire on June 30, 2021, is extended to June 30, 2022, if the recipient or grantee does both of the following:

(1) by June 30, 2021, notifies the Lessard-Sams Outdoor Heritage Council in the manner specified by the council that the recipient or grantee intends to avail itself of the extension available under this subdivision; and

(2) modifies the applicable accomplishment plan in accordance with the council's accomplishment plan modification procedures.

(b) The council must notify the commissioner of management and budget and the commissioner of natural resources of any extension granted under this subdivision.

EFFECTIVE DATE. Subdivision 11 is effective retroactively from July 1, 2019, for projects funded under Laws 2016, chapter 172.

Sec. 3. Minnesota Statutes 2020, section 97A.056, subdivision 9, is amended to read:

Subd. 9. **Lands in public domain.** (a) Money appropriated from the outdoor heritage fund shall not be used to purchase any land in fee title or a permanent conservation easement ~~if the land in question is fully or partially owned by the state of Minnesota or a political subdivision of the state, unless:~~ owns the land in fee or if the land is wholly or partially subject to a conservation easement.

(b) Paragraph (a) does not apply if:

(1) the purchase creates additional direct benefit to protect, restore, or enhance the state's wetlands, prairies, forests, or habitat for fish, game, and wildlife; and

~~(2) the purchase is approved by an affirmative vote of at least nine members of the council; or~~

(2) the purchase is for land that is partially subject to a conservation easement and no money appropriated from the outdoor heritage fund is used to pay the purchase price for the portion of land that is subject to the easement. Nothing in this clause prohibits the use of money appropriated from the outdoor heritage fund to pay for costs and other expenses associated with the acquisition of the land as part of the larger acquisition.

(c) For purposes of this subdivision, "conservation easement" means a conservation easement as defined in section 84C.01.

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

Sec. 4. Minnesota Statutes 2020, section 97A.056, subdivision 11, is amended to read:

Subd. 11. **Recipient requirements.** (a) A state agency or other recipient of a direct appropriation from the outdoor heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available.

(b) When practicable, a direct recipient of an appropriation from the outdoor heritage fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for

more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(c) Future eligibility for money from the outdoor heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the outdoor heritage fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the outdoor heritage fund until the recipient demonstrates compliance to the legislative auditor.

(d) A project or program receiving funding from the outdoor heritage fund must include an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota.

Sec. 5. Laws 2020, chapter 104, article 1, section 2, subdivision 5, is amended to read:

Subd. 5. **Habitats**

-0-

55,429,000

(a) Protecting Coldwater Fisheries on Minnesota's North Shore

\$1,809,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance wildlife habitat in priority coldwater tributaries to Lake Superior. Of this amount, up to \$144,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(b) Metro Big Rivers - Phase X

\$6,473,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries in the metropolitan area. Of this amount, \$801,000 is to Minnesota Valley National Wildlife Refuge Trust Inc., \$300,000 is to Friends of the Mississippi River, \$366,000 is to Great River Greening, \$3,406,000 is to The Trust for Public Land, and \$1,600,000 is to Minnesota Land Trust. Up to \$144,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(c) Resilient Habitat for Heritage Brook Trout

\$2,266,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance habitat in targeted watersheds of southeast Minnesota to improve heritage brook trout and coldwater communities. Of this amount, \$350,000 is to The Nature Conservancy, \$258,000 is to Trout Unlimited, \$857,000 is to The Trust for Public Land, and \$801,000 is to Minnesota Land Trust. Up to \$96,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(d) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes - Phase VI

\$2,814,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties. Of this amount, \$883,000 is to Northern Waters Land Trust and \$1,931,000 is to Minnesota Land Trust. Up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(e) Accelerating Habitat Conservation in Southwest Minnesota

\$3,044,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance high-quality wildlife habitat in southwest Minnesota. Of this amount, up to \$144,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(f) Targeted RIM Easement Program to Individual Parcel: Pine and Leech Watersheds - Phase I

\$2,458,000 the second year is to the Board of Water and Soil Resources to acquire and restore permanent conservation easements of high-quality forest, wetland, and shoreline habitat.

Of this amount, \$164,000 is for an agreement with the Crow Wing County Soil and Water Conservation District. Up to \$97,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(g) Mississippi Headwaters Habitat Corridor Project - Phase V

\$3,695,000 the second year is to acquire lands in fee and conservation easement and restore wildlife habitat in the Mississippi headwaters as follows:

(1) \$2,177,000 is to the commissioner of natural resources for agreements as follows: \$69,000 to the Mississippi Headwaters Board and \$2,108,000 to The Trust for Public Land; and

(2) \$1,518,000 is to the Board of Water and Soil Resources, of which up to \$175,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

A list of proposed acquisitions must be included as part of the required accomplishment plan.

(h) Hennepin County Habitat Conservation Program - Phase II

\$3,155,000 the second year is to the commissioner of natural resources for agreements with Hennepin County, in cooperation with Minnesota Land Trust, to acquire permanent conservation easements and to restore and enhance habitats in Hennepin County as follows: \$446,000 to Hennepin County and \$2,709,000 to Minnesota Land Trust. Up to \$264,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

(i) Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase XII

\$1,474,000 the second year is to the commissioner of natural resources for an agreement with Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in Minnesota. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(j) DNR Aquatic Habitat Restoration and Enhancement - Phase III

\$3,790,000 the second year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) St. Louis River Restoration Initiative - Phase VII

\$2,280,000 the second year is to the commissioner of natural resources to restore priority aquatic and riparian habitats in the St. Louis River estuary. A list of proposed restorations must be provided as part of the required accomplishment plan.

(l) Knife River Habitat Rehabilitation - Phase V

\$700,000 the second year is to the commissioner of natural resources for an agreement with Zeitgeist, a nonprofit corporation, in cooperation with the Lake Superior Steelhead Association, to restore and enhance trout habitat in the Knife River watershed. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(m) Shell Rock River Watershed Habitat Restoration Program - Phase IX

\$1,918,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire lands in fee and to restore and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(n) Rum River Wildlife and Fish Habitat Enhancement Using Bioengineered Bank Stabilization

\$816,000 the second year is to the commissioner of natural resources for an agreement with the Anoka County Soil and Water Conservation District to restore and enhance riverine habitat in the Rum River using eco-sensitive, habitat-building, and bioengineering approaches. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(o) Roseau River Habitat Restoration

\$3,036,000 the second year is to the commissioner of natural resources for an agreement with the Roseau River Watershed District to restore and enhance riverine habitat in the Roseau River and the Roseau River Wildlife Management Area.

(p) Sauk River Watershed Habitat Protection and Restoration - Phase II

\$3,926,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat in the Sauk River watershed as follows: \$430,000 to the Sauk River Watershed District, \$2,073,000 to Pheasants Forever, and \$1,423,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(q) Southeast Wetland Restoration

\$1,351,000 the second year is to the commissioner of natural resources for an agreement with the city of Mankato to acquire land in fee in the city of Mankato for wetland and grassland restoration. A list of acquisitions must be provided as part of the required accomplishment plan.

(r) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat - Phase XII

\$10,424,000 the second year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, at least \$3,250,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or more. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of the total appropriation, \$475,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources must, when evaluating projects of equal value, give priority to organizations that have a history of receiving, or a charter to receive, private contributions for local conservation or habitat projects. For grant

requests to acquire land in fee or a conservation easement, the commissioner must give priority to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, ~~2023~~ 2024. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

ARTICLE 2
CLEAN WATER FUND

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

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2022" and "2023" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. These are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **CLEAN WATER FUND**

Subdivision 1. **Total Appropriation**

\$126,711,000

\$130,081,000

This appropriation is from the clean water fund. The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget MMB Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2022 appropriations are available until June 30, 2023, and fiscal year 2023 appropriations are available until June 30, 2024. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. Disability Access

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing people with disabilities greater access to programs, print publications, and digital media related to the programs the recipient funds using appropriations made in this article.

Subd. 4. Increasing Diversity in Environmental Careers

Agencies should work to provide opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this article.

Sec. 3. DEPARTMENT OF AGRICULTURE**\$10,322,000****\$10,322,000**

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides, pesticide degradates, microplastics, and nanoplastics in surface water and groundwater and to use data collected to assess pesticide use practices. This appropriation is available until June 30, 2025.

(b) \$2,585,000 the first year and \$2,585,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing adoption of best management practices; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities, including research activities at the Rosholt Research Farm; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2026.

(c) \$75,000 the first year and \$75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year must be added to the corpus of the loan fund.

(d) \$1,452,000 the first year and \$1,452,000 the second year are for technical assistance, research, and demonstration projects on properly implementing best management practices and more-precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, 2026.

(e) \$40,000 the first year and \$40,000 the second year are for maintenance of the Minnesota Water Research Digital Library. Costs for information technology development or support for the digital library may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2026.

(f) \$3,000,000 the first year and \$3,000,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. This appropriation is available until June 30, 2026.

(g) \$135,000 the first year and \$135,000 the second year are for a regional irrigation water quality specialist through University of Minnesota Extension. This appropriation is available until June 30, 2025.

(h) \$2,250,000 the first year and \$2,250,000 the second year are for grants to fund the Forever Green agriculture initiative and to protect the state's natural resources by incorporating perennial and winter-annual crops into existing agricultural practices. This appropriation is available until June 30, 2026.

(i) \$435,000 the first year and \$435,000 the second year are for testing private wells for pesticides, microplastics, and nanoplastics where nitrate is detected as part of the township testing program. This appropriation is available until June 30, 2026.

Sec. 4. **POLLUTION CONTROL AGENCY**

\$21,866,000

\$22,881,000

(a) \$7,216,000 the first year and \$7,216,000 the second year are for completing needed statewide assessments of surface water quality and trends, including assessments for microplastics and nanoplastics, according to Minnesota Statutes, chapter 114D.

(b) \$6,604,000 the first year and \$6,604,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include total maximum daily load (TMDL) studies and

TMDL implementation plans according to Minnesota Statutes, chapter 114D, for waters on the impaired waters list approved by the United States Environmental Protection Agency. The agency must complete an average of ten percent of the TMDLs each year over the biennium.

(c) \$950,000 the first year and \$950,000 the second year are for groundwater assessment, including assessments for microplastics and nanoplastics, enhancing the ambient monitoring network, modeling, evaluating trends, and reassessing groundwater that was assessed ten to 15 years ago and found to be contaminated.

(d) \$750,000 the first year and \$750,000 the second year are for implementing the St. Louis River System Area of Concern Remedial Action Plan.

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

(f) \$2,912,000 the first year and \$2,912,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protecting groundwater. This appropriation includes base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of properties with noncompliant systems upgraded through an SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buyout. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. The required reports must be part of the established annual reporting for SSTS programs. Of this amount, at least \$900,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$40,000 annually. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures. By January 15 of each odd-numbered year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources and the clean water fund detailing the outcomes achieved under this paragraph for the previous two years.

(g) \$200,000 the first year and \$200,000 the second year are for accelerated implementation of municipal separate storm sewer system (MS4) permit requirements, including additional technical assistance to municipalities experiencing difficulties understanding and implementing the basic requirements of the municipal stormwater program.

(h) \$700,000 the first year and \$700,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund.

(i) \$260,000 the first year and \$260,000 the second year are for activities, training, and grants that reduce chloride pollution.

(j) \$350,000 the first year and \$350,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1. The council may use money appropriated in this paragraph for consultants and other assistance as needed to develop the reports required under this article.

(k) \$280,000 the first year and \$280,000 the second year are to support activities that build local capacity to support and engage in water restoration and protection through the We Are Water Minnesota community engagement initiative.

(l) \$200,000 the first year and \$200,000 the second year are for grants to enhance and expand the existing water quality and watershed monitoring river watch activities in schools. Of this amount, \$150,000 each year is for grants to the Red River Watershed Management Board for river watch activities in schools in the Red River of the North watershed, and \$50,000 each year is for grants to the Friends of the Minnesota Valley for river watch activities in schools within the Minnesota River watershed. By February 15, 2023, the Red River Watershed Management Board and the Friends of the Minnesota Valley must each provide a report to the commissioner and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund on the outcomes achieved with the money received under this appropriation.

(m) \$544,000 the first year and \$1,559,000 the second year are to develop protocols for testing groundwater and surface water for microplastics and nanoplastics to be used by agencies and departments required to monitor and test for plastics under this article and to begin testing and implementation. For the purposes

of this article, "microplastics" are small pieces of plastic debris in the environment resulting from the disposal and breakdown of consumer products and industrial waste that are less than five millimeters in length and "nanoplastics" are particles within a size ranging from one to 1000 nanometers that are unintentionally produced from the manufacture or degradation of plastic objects and that exhibit a colloidal behavior.

(n) Any unencumbered grant balances in the first year do not cancel but are available for grants in the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this section are available until June 30, 2026.

Sec. 5. **DEPARTMENT OF NATURAL RESOURCES**

\$9,415,000

\$9,060,000

(a) \$2,000,000 the first year and \$2,000,000 the second year are for streamflow monitoring.

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

(c) \$455,000 the first year and \$455,000 the second year are for assessing mercury, microplastics, and nanoplastics, and other fish contaminants, including monitoring to track the status of impaired waters over time.

(d) \$1,900,000 the first year and \$1,900,000 the second year are for developing targeted, science-based watershed restoration and protection strategies.

(e) \$1,850,000 the first year and \$1,850,000 the second year are for water-supply planning, aquifer protection, and monitoring activities and analysis.

(f) \$1,300,000 the first year and \$1,300,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities.

(g) \$535,000 the first year and \$530,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; and assessing effectiveness of forestry best management practices for water quality.

(h) \$25,000 the first year and \$25,000 the second year are for maintaining and updating buffer maps and for technical guidance on interpreting buffer maps for local units of government implementing buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources website.

(i) \$350,000 the first year is to develop and designate a groundwater management area under Minnesota Statutes, section 103G.287, subdivision 4, in Dakota County.

Sec. 6. **BOARD OF WATER AND SOIL RESOURCES**

\$66,185,000

\$65,281,000

(a) \$21,197,000 the first year and \$22,367,000 the second year are for performance-based grants with multiyear implementation plans to local government units. The grants may be used to implement projects that protect, enhance, and restore surface water quality in lakes, rivers, and streams; protect groundwater from degradation; and protect drinking water sources. Projects must be identified in a comprehensive watershed plan developed under the One Watershed, One Plan and seven-county metropolitan groundwater or surface water management frameworks as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph. This appropriation may be used for:

(1) implementation grants to watershed planning areas with approved plans, including but not limited to Buffalo-Red River, Cannon River, Cedar River, Clearwater River, Des Moines River, Hawk Creek, Lac qui Parle Yellow Bank, Lake of the Woods, Lake Superior North, Le Seuer River, Leech Lake River, Long Prairie River, Lower Minnesota River North, Lower Minnesota River West, Lower Minnesota River South, Lower St. Croix River, Marsh and Wild Rice, Middle Snake Tamarack Rivers, Mississippi East, Mississippi River Headwaters, Mississippi West, Missouri River Basin, Mustinka/Bois de Sioux, Nemadji River, North Fork Crow River, Otter Tail, Pine River, Pomme de Terre River, Red Lake River, Redeye River, Root River, Rum River, Sauk River, Shell Rock River/Winnebago Watershed, Snake River, South Fork Crow River, St. Louis River, Thief River, Two Rivers Plus, Vermillion, Watonwan River, Winona La Crescent, Yellow Medicine River, and Zumbro River;

(2) seven-county metropolitan groundwater or surface water management frameworks; and

(3) other comprehensive watershed management plan planning areas that have a board-approved and local-government-adopted plan as authorized in Minnesota Statutes, section 103B.801.

The board may determine whether a planning area is not ready to proceed, does not have the nonstate match committed, or has not expended all money granted to it. Upon making the determination, the board may allocate a grant's proposed or unexpended allocation to another planning area to implement priority projects, programs, or practices.

(b) \$10,762,000 the first year and \$11,504,000 the second year are for grants to local government units to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. Up to 20 percent of this appropriation is available for land-treatment projects and practices that benefit drinking water.

(c) \$4,841,000 the first year and \$4,841,000 the second year are for accelerated implementation, local resource protection, enhancement grants, statewide analytical targeting or technology tools that fill an identified gap, program enhancements for technical assistance, citizen and community outreach, compliance, and training and certification.

(d) \$1,355,000 the first year and \$1,355,000 the second year are:

(1) to provide state oversight and accountability, evaluate and communicate results, provide implementation tools, and measure the value of conservation program implementation by local governments; and

(2) to prepare, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, and submit to the legislature by March 1 each even-numbered year a biennial report detailing the recipients and projects funded under this section and the amount of pollution reduced.

(e) \$1,936,000 the first year and \$1,936,000 the second year are to provide assistance, oversight, and grants for supporting local governments in implementing and complying with riparian protection and excessive soil loss requirements.

(f) \$1,936,000 the first year and \$1,936,000 the second year are to develop a pilot working lands floodplain program and to purchase, restore, or preserve riparian land and floodplains adjacent to lakes, rivers, streams, and tributaries, by conservation easements or contracts to keep water on the land, to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. Up to \$180,000 is for deposit in a monitoring and enforcement account.

(g) \$2,500,000 the first year and \$2,500,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise ensuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture Minnesota Nitrogen Fertilizer Management Plan, including using low-nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring conservation reserve program contracts. Up to \$100,000 is for deposit in a monitoring and enforcement account.

(h) \$42,000 the first year and \$42,000 the second year are for a technical evaluation panel to conduct ten restoration evaluations under Minnesota Statutes, section 114D.50, subdivision 6.

(i) \$2,904,000 the first year and \$2,904,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, section 103B.801.

(j) \$2,000,000 the second year is to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. This work may be done in cooperation with the United States Department of Agriculture with a first-priority use to accomplish a conservation reserve enhancement program, or equivalent, in the state. Up to \$100,000 is for deposit in a monitoring and enforcement account.

(k) \$1,234,000 the first year and \$1,234,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters that have good water quality but that are threatened with degradation. Up to \$300,000 is for deposit in a monitoring and enforcement account.

(l) \$362,000 the first year and \$362,000 the second year are for grants or contracts for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind, along with tracking adoption of conservation measures, including cover crops, to address erosion. This appropriation may be used for grants to or contracts with the University of Minnesota to complete this work.

(m) \$400,000 the first year and \$602,000 the second year are for developing and implementing a water legacy grant program to expand partnerships for clean water.

(n) \$2,420,000 the first year and \$2,420,000 the second year are for permanent conservation easements to protect and restore wetlands and associated uplands. Up to \$200,000 is for deposit in a monitoring and enforcement account.

(o) \$2,033,000 the first year and \$2,033,000 the second year are for grants to farmers who own or rent land to enhance adoption of cover crops and other soil health practices in areas where there are direct benefits to public water supplies. Up to \$400,000 is for an agreement with the University of Minnesota Office for Soil Health for applied research and education on Minnesota's agroecosystems and soil health management systems.

(p) \$12,000,000 the first year is for grants to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331. The board must award grants based on the number of wells and water bodies contaminated with nitrates and pesticides, acreage contained within a drinking water supply management area, county allocations to soil and water conservation districts, and the amount of private land and public waters. The board and other agencies may reduce the amount of grants to a county by an amount equal to any reduction in the county's allocation to a soil and water conservation district from the county's previous year allocation when the board determines that the reduction was disproportionate. The board may use up to one percent for the administration of payments.

(q) \$2,415,000 the second year is for technical assistance and implementation grants to soil and water conservation districts with karst geography and shallow sand aquifers for soil health practices that protect groundwater.

(r) \$2,415,000 the second year is for technical assistance and implementation grants to soil and water conservation districts for soil health practices to prevent wind and water erosion to protect surface waters.

(s) \$2,415,000 the second year is for technical assistance and implementation grants to soil and water conservation districts for sustainable forestry and soil health practices to protect surface water and groundwater.

(t) For the purposes of paragraphs (q), (r), and (s), "soil health practices" means practices that sustain or improve soil health as defined in Minnesota Statutes, section 103C.101, subdivision 10a, including but not limited to:

- (1) no-till or strip-till;
 - (2) mulching;
 - (3) cover cropping;
 - (4) perennial cropping;
 - (5) stand diversification;
 - (6) contour, field edge, pollinator, wildlife, or buffer strips planted with perennials;
 - (7) agroforestry;
 - (8) managed rotational grazing; and
 - (9) management practices that minimize soil compaction or increase aeration.
- (u) \$263,000 the first year is to prepare, in consultation with soil and water conservation districts, watershed districts, and other local units of government, a feasibility study on voluntarily merging soil and water conservation districts, watershed districts, watershed management organizations, and other joint powers organizations formed to manage water that have completed a plan under Minnesota Statutes, section 103B.801. By January 15, 2023, the board must submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources policy and finance with the study and any recommendations for legislation necessary for implementation. This is a onetime appropriation and is available until June 30, 2023.
- (v) The board must contract for delivery of services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for up to \$750,000 the first year and up to \$750,000 the second year.
- (w) The board may shift grant, cost-share, or easement funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority needs identified in local water management plans.
- (x) The board must require grantees to specify the outcomes that will be achieved by the grants before making any grant awards.
- (y) The appropriations in this section are available until June 30, 2026, except grant funds are available for five years after the date a grant is executed. Returned grant funds must be regranted consistent with the purposes of this section.

Sec. 7. **DEPARTMENT OF HEALTH**

\$6,705,000

\$6,705,000

(a) \$1,200,000 the first year and \$1,200,000 the second year are for addressing public health concerns related to contaminants found or anticipated to be found in Minnesota drinking water for which no health-based drinking water standards exist and for the department's laboratory to analyze for these contaminants.

(b) \$3,079,000 the first year and \$3,079,000 the second year are for protecting sources of drinking water, including planning, implementation, and surveillance activities and grants to local governments and public water systems.

(c) \$563,000 the first year and \$563,000 the second year are to develop and deliver groundwater restoration and protection strategies on a watershed scale for use in local comprehensive water planning efforts, to provide resources to local governments for activities that protect sources of drinking water, and to enhance approaches that improve the capacity of local governmental units to protect and restore groundwater resources.

(d) \$863,000 the first year and \$863,000 the second year are for studying the occurrence and magnitude of contaminants in private wells, including microplastics and nanoplastics, and developing guidance, outreach, and interventions to reduce risks to private-well users.

(e) \$250,000 the first year and \$250,000 the second year are to develop public health policies and an action plan to address threats to safe drinking water, including development of a statewide plan for protecting drinking water based on recommendations from the Future of Drinking Water report.

(f) \$750,000 the first year and \$750,000 the second year are to adopt and amend health risk limits as required under this article.

(g) Unless otherwise specified, the appropriations in this section are available until June 30, 2025.

Sec. 8. **METROPOLITAN COUNCIL**

\$1,544,000

\$6,544,000

(a) \$919,000 the first year and \$919,000 the second year are to implement projects that address emerging threats to the drinking water supply, provide cost-effective regional solutions, leverage interjurisdictional coordination, support local implementation of water supply reliability projects, and prevent degradation of groundwater resources in the metropolitan area. These projects must provide communities with:

(1) potential solutions to leverage regional water use by using surface water, stormwater, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning-level cost estimates, including capital costs and operating costs;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models.

(b) \$625,000 the first year and \$625,000 the second year are for the water demand reduction grant program to encourage municipalities in the metropolitan area to implement measures to reduce water demand to ensure the reliability and protection of drinking water supplies.

(c) \$2,500,000 the second year is for grants or loans for local inflow and infiltration reduction programs addressing high-priority areas in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2.

(d) \$2,500,000 the second year is for grants to replace the privately owned portion of drinking water lead service lines in environmental justice areas determined by the commissioner of the Pollution Control Agency.

Sec. 9. **UNIVERSITY OF MINNESOTA**

\$2,598,000

\$1,220,000

(a) \$450,000 the first year and \$450,000 the second year are for developing Part A of county geologic atlases. This appropriation is available until June 30, 2028.

(b) \$675,000 the first year and \$675,000 the second year are for a program to evaluate performance and technology transfer for stormwater best management practices, to evaluate best management performance and effectiveness to support meeting total maximum daily loads, to develop standards and incorporate state-of-the-art guidance using minimal impact design standards as the model, and to implement a system to transfer knowledge and technology across local government, industry, and regulatory sectors. This appropriation is available until June 30, 2028.

(c) \$95,000 the first year and \$95,000 the second year are for a report that quantifies the multiple benefits of clean water investments, for a review of equity considerations in clean water fund spending, and for proposing climate considerations in comprehensive watershed management plans. The Board of Regents must submit the report to the Clean Water Council and the chairs and ranking minority members of the house of

representatives and senate committees and divisions with jurisdiction over environment and natural resources and the clean water fund no later than June 30, 2024.

(d) \$1,378,000 the first year is to study water's role in transporting chronic wasting disease prions, including:

(1) identifying mechanisms for the accumulation, persistence, and spread of chronic wasting disease prions through waterways;

(2) characterizing chronic wasting disease prion abundance in waterways immediately downstream of regions known to be positive for chronic wasting disease;

(3) modeling and forecasting chronic wasting disease contamination and spread based on landscape ecology and hydrology; and

(4) developing and evaluating remediation strategies for prion-contaminated waterways.

The appropriation in this paragraph is available until June 30, 2024.

The Board of Regents must submit a report with the results of the study to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources and the clean water fund no later than January 15, 2024.

Sec. 10. **LEGISLATURE**

\$8,000

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\$8,000 the first year is for the Legislative Coordinating Commission for the website required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 11. **PUBLIC FACILITIES AUTHORITY**

\$8,068,000

\$8,068,000

(a) \$7,968,000 the first year and \$7,968,000 the second year are for the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, 2026.

(b) \$100,000 the first year and \$100,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, 2026.

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

Sec. 12. Minnesota Statutes 2020, section 114D.50, subdivision 4, is amended to read:

Subd. 4. **Expenditures; accountability.** (a) A project receiving funding from the clean water fund must meet or exceed the constitutional requirements to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater and drinking water from degradation. Priority may be given to projects that meet more than one of these requirements. A project receiving funding from the clean water fund shall include measurable outcomes, as defined in section 3.303, subdivision 10, ~~and~~ a plan for measuring and evaluating the results; and an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota. A project must be consistent with current science and incorporate state-of-the-art technology.

(b) Money from the clean water fund shall be expended to balance the benefits across all regions and residents of the state.

(c) A state agency or other recipient of a direct appropriation from the clean water fund must compile and submit all information for proposed and funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available. Information classified as not public under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on the website.

(d) Grants funded by the clean water fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regrants envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the clean water fund may only be spent on projects that benefit Minnesota waters.

(f) When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(g) Future eligibility for money from the clean water fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the clean water fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the clean water fund until the recipient demonstrates compliance to the legislative auditor.

(h) Money from the clean water fund may be used to leverage federal funds through execution of formal project partnership agreements with federal agencies consistent with respective federal agency partnership agreement requirements.

(i) Any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 13. Laws 2017, chapter 91, article 2, section 3, is amended to read:

Sec. 3. **DEPARTMENT OF AGRICULTURE**

\$8,283,000

\$9,283,000

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

(b) \$2,085,000 the first year and \$2,086,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing best management practice adoption; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, ~~2022~~ 2023.

(c) \$75,000 the first year and \$75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year shall be added to the corpus of the loan fund.

(d) \$1,125,000 the first year and \$1,125,000 the second year are for technical assistance, research, and demonstration projects on proper implementation of best management practices and more precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, ~~2022~~ 2023.

(e) \$663,000 the first year and \$662,000 the second year are for research to quantify and reduce agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources. This appropriation is available until June 30, ~~2022~~ 2023.

(f) \$50,000 the first year and \$50,000 the second year are for a research inventory database containing water-related research activities. Costs for information technology development or support for this research inventory database may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2022.

(g) \$2,000,000 the first year and \$3,000,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. Funds appropriated in this paragraph are available until June 30, 2021.

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

(i) \$750,000 the first year and \$750,000 the second year are for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. This appropriation is available until June 30, 2022.

(j) \$1,000,000 the first year and \$1,000,000 the second year are for pesticide testing of private wells where nitrate is detected, as part of the Township Testing Program. This appropriation is available until June 30, ~~2022~~ 2023.

(k) \$75,000 the first year and \$75,000 the second year are to evaluate market opportunities and develop markets for crops that can be profitable for farmers and beneficial for water quality and soil health.

(l) A portion of the funds in this section may be used for programs to train state and local outreach staff in the intersection between agricultural economics and agricultural conservation.

Sec. 14. Laws 2017, chapter 91, article 2, section 5, is amended to read:

Sec. 5. POLLUTION CONTROL AGENCY

\$25,790,000

\$26,290,000

(a) \$8,275,000 the first year and \$8,275,000 the second year are for completion of needed statewide assessments of surface water quality and trends according to Minnesota Statutes, chapter 114D. Of this amount, \$125,000 the first year and \$125,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in the schools in the Red River of the North. The Red River Watershed Management Board shall provide a report to the commissioner of the Pollution Control Agency and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund by February 15, 2019, on the expenditure of this appropriation. This appropriation is available until June 30, 2023.

(b) \$9,409,000 the first year and \$9,638,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in

accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDLs each year over the biennium. This appropriation is available until June 30, 2023.

(c) \$1,181,000 the first year and \$1,182,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, and evaluating trends, including the reassessment of groundwater that was assessed ten to 15 years ago and found to be contaminated. This appropriation is available until June 30, 2023.

(d) \$750,000 the first year and \$750,000 the second year are for implementation of the St. Louis River System Area of Concern Remedial Action Plan. This appropriation must be matched at a rate of 65 percent nonstate money to 35 percent state money. This appropriation is available until June 30, 2023.

(e) \$500,000 the first year and \$500,000 the second year are for TMDL research and database development.

(f) \$900,000 the first year and \$900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts. This appropriation is available until June 30, 2023.

(g) \$3,500,000 the first year and \$3,370,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protection of groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buy-out. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. These required reports are to be part of established annual reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit must be given priority for competitive grants under this paragraph. Of this amount, \$1,000,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$40,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures. This appropriation is available until June 30, 2023.

(h) \$225,000 the first year and \$225,000 the second year are for accelerated implementation of MS4 permit requirements including additional technical assistance to municipalities experiencing difficulties understanding and implementing the basic requirements of the municipal storm water program.

(i) \$800,000 the first year and \$1,200,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund.

(j) \$200,000 the first year and \$200,000 the second year are for coordination with the state of Wisconsin and the National Park Service on comprehensive phosphorous reduction activities in the Minnesota portion of Lake St. Croix on the St. Croix River. The commissioner must work with the St. Croix Basin Water Resources Planning Team and the St. Croix River Association to implement the water monitoring and phosphorous reduction activities.

(k) \$50,000 the first year and \$50,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(l) Notwithstanding Minnesota Statutes, section 16A.28, unless otherwise specified, the appropriations in this section are available until June 30, 2022.

Sec. 15. Laws 2017, chapter 91, article 2, section 6, is amended to read:

Sec. 6. DEPARTMENT OF NATURAL RESOURCES	\$8,446,000	\$8,446,000
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(a) \$1,950,000 the first year and \$1,950,000 the second year are for stream flow monitoring.

(b) \$1,250,000 the first year and \$1,250,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

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

(d) \$1,886,000 the first year and \$1,886,000 the second year are for developing targeted, science-based watershed restoration and protection strategies. This appropriation is available until June 30, 2022.

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

(f) \$950,000 the first year and \$950,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities.

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

(h) \$125,000 the first year and \$125,000 the second year are for developing county geologic atlases.

(i) \$100,000 the first year and \$100,000 the second year are for maintenance and updates to buffer maps and for technical guidance on buffer map interpretation to local units of government for implementation of buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources' Web site.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2020.

Sec. 16. Laws 2017, chapter 91, article 2, section 8, is amended to read:

Sec. 8. **DEPARTMENT OF HEALTH**

\$4,787,000

\$5,107,000

(a) \$1,100,000 the first year and \$1,100,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, including accelerating the development of health risk limits and improving the capacity of the department's laboratory to analyze unregulated contaminants. This appropriation is available until June 30, 2022.

(b) \$2,587,000 the first year and \$2,907,000 the second year are for protection of drinking water sources. This appropriation is available until June 30, 2022.

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

(d) \$200,000 the first year and \$200,000 the second year are to develop and deliver groundwater restoration and protection strategies for use on a watershed scale for use in local water planning efforts and to provide resources to local governments for drinking water source protection activities.

(e) \$400,000 the first year and \$400,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance and outreach to reduce risks to private-well owners.

(f) \$100,000 the first year and \$100,000 the second year are for evaluating and addressing the risks from viruses in water supplies. This appropriation is available until June 30, 2022.

(g) \$150,000 the first year and \$150,000 the second year are to develop public health policies and an action plan to address threats to safe drinking water and to conduct an analysis to determine the scope of the lead problem in Minnesota's water and the cost to eliminate lead exposure in drinking water. This appropriation is available until June 30, 2022.

(h) Unless otherwise specified, the appropriations in this section are available until June 30, 2021.

Sec. 17. Laws 2019, First Special Session chapter 2, article 2, section 3, is amended to read:

Sec. 3. **DEPARTMENT OF AGRICULTURE**

\$11,010,000

\$10,710,000

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

(b) \$2,585,000 the first year and \$2,585,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing best management practice adoption; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities, including research activities at the Rosholt Research Farm; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2024.

(c) \$75,000 the first year and \$75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year must be added to the corpus of the loan fund.

(d) \$1,500,000 the first year and \$1,500,000 the second year are for technical assistance, research, and demonstration projects on proper implementation of best management practices and more-precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, ~~2024~~ 2025.

(e) \$50,000 the first year and \$50,000 the second year are for a research inventory database containing water-related research activities. Costs for information technology development or support for this research inventory database may be paid to the Office of MN.IT Services. This appropriation is available until June 30, ~~2024~~ 2025.

(f) \$3,000,000 the first year and \$3,000,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. Funds appropriated in this paragraph are available until June 30, 2024.

(g) \$150,000 the first year and \$150,000 the second year are for a regional irrigation water quality specialist through University of Minnesota Extension.

(h) \$2,300,000 the first year and \$2,000,000 the second year are for grants to fund the Forever Green Agriculture Initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. Of this amount, \$2,050,000 the first year and \$1,750,000 the second year are for grants to the Board of Regents of the University of Minnesota for research and establishing an Agricultural Diversification Steering Council and Network and \$250,000 the first year and \$250,000 the second year are for grants to implement Forever Green crops or cropping systems. This appropriation is available until June 30, ~~2024~~ 2025.

(i) \$1,000,000 the first year and \$1,000,000 the second year are for testing private wells for pesticides where nitrate is detected as part of the township testing program. This appropriation is available until June 30, ~~2024~~ 2025.

(j) A portion of the money in this section may be used for programs to train state and local outreach staff in the intersection between agricultural economics and agricultural conservation.

Sec. 18. Laws 2019, First Special Session chapter 2, article 2, section 4, is amended to read:

Sec. 4. **PUBLIC FACILITIES AUTHORITY**

\$10,125,000

\$8,125,000

(a) \$10,000,000 the first year and \$8,000,000 the second year are for the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, ~~2024~~ 2025.

(b) \$125,000 the first year and \$125,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, ~~2024~~ 2025.

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

Sec. 19. Laws 2019, First Special Session chapter 2, article 2, section 5, is amended to read:

Sec. 5. POLLUTION CONTROL AGENCY

\$23,242,000

\$23,242,000

(a) \$8,150,000 the first year and \$8,150,000 the second year are for completing needed statewide assessments of surface water quality and trends according to Minnesota Statutes, chapter 114D. Of this amount, \$150,000 the first year and \$150,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in the schools in the Red River of the North. The Red River Watershed Management board shall provide a report to the commissioner of the Pollution Control Agency and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund by February 15, 2021, on the expenditure of this appropriation. This appropriation is available until June 30, 2025.

(b) \$7,550,000 the first year and \$7,550,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include total maximum daily load (TMDL) studies and TMDL implementation plans according to Minnesota Statutes, chapter 114D, for waters on the impaired waters list approved by the United States Environmental Protection Agency. The agency must complete an average of ten percent of the TMDLs each year over the biennium. This appropriation is available until June 30, 2025.

(c) \$1,182,000 the first year and \$1,182,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, evaluating trends, and reassessing groundwater that was assessed ten to 15 years ago and found to be contaminated.

(d) \$750,000 the first year and \$750,000 the second year are for implementing the St. Louis River System Area of Concern Remedial Action Plan. This appropriation is available until June 30, 2025.

(e) \$900,000 the first year and \$900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts. This appropriation is available until June 30, 2025.

(f) \$3,375,000 the first year and \$3,375,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protecting groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buy-out. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. These required reports are to be part of established annual reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit must be given priority for competitive grants under this paragraph. Of this amount, \$1,500,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$40,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures. By January 15, 2021, the commissioner must submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources and the clean water fund detailing the outcomes achieved under this paragraph and past appropriations from the clean water fund for this purpose. This appropriation is available until June 30, 2025.

(g) \$200,000 the first year and \$200,000 the second year are for accelerated implementation of MS4 permit requirements, including additional technical assistance to municipalities experiencing difficulties understanding and implementing the basic requirements of the municipal storm water program.

(h) \$775,000 the first year and \$775,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund. This appropriation is available until June 30, 2025.

(i) \$250,000 the first year and \$250,000 the second year are for activities, training, and grants that reduce chloride pollution. Of this amount, \$100,000 each year is for grants for upgrading, optimizing, or replacing water-softener units. This appropriation is available until June 30, 2023. Any unencumbered grant balances in the first year do not cancel but are available for grants in the second year. This appropriation is available until June 30, 2025.

(j) \$110,000 the first year and \$110,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(k) Notwithstanding Minnesota Statutes, section 16A.28, unless otherwise specified, the appropriations in this section are available until June 30, 2024.

Sec. 20. Laws 2019, First Special Session chapter 2, article 2, section 6, is amended to read:

Sec. 6. DEPARTMENT OF NATURAL RESOURCES	\$9,310,000	\$9,310,000
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(a) \$2,000,000 the first year and \$2,000,000 the second year are for stream flow monitoring. This appropriation is available until June 30, 2023.

(b) \$1,250,000 the first year and \$1,250,000 the second year are for lake Index of Biological Integrity (IBI) assessments. The number of IBI sampling assessments in the seven-county metropolitan area and the cities of Rochester and Duluth relative to the number of statewide sampling assessments must be proportional to the number of IBI-suitable lakes in the seven-county metropolitan area and the cities of Rochester and Duluth relative to the number of statewide IBI-suitable lakes. This appropriation is available until June 30, 2023.

(c) \$135,000 the first year and \$135,000 the second year are for assessing mercury and other fish contaminants, including monitoring to track the status of impaired waters over time. This appropriation is available until June 30, 2023.

(d) \$1,900,000 the first year and \$1,900,000 the second year are for developing targeted, science-based watershed restoration and protection strategies. This appropriation is available until June 30, 2023.

(e) \$2,075,000 the first year and \$2,075,000 the second year are for water-supply planning, aquifer protection, and monitoring activities. This appropriation is available until June 30, 2023.

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

(g) \$700,000 the first year and \$700,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; and assessing effectiveness of forestry best management practices for water quality. This appropriation is available until June 30, 2023.

(h) \$150,000 the first year and \$150,000 the second year are for developing county geologic atlases. This appropriation is available until June 30, 2023.

(i) \$100,000 the first year and \$100,000 the second year are for maintenance and updates to buffer maps and for technical guidance on interpreting buffer maps for local units of government implementing buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources website. This appropriation is available until June 30, 2023.

Sec. 21. Laws 2019, First Special Session chapter 2, article 2, section 7, is amended to read:

Sec. 7. BOARD OF WATER AND SOIL RESOURCES

\$71,950,000

\$66,484,000

(a) \$13,591,000 the first year and \$13,375,000 the second year are for performance-based grants with multiyear implementation plans to local government units. The grants may be used to implement projects that protect, enhance, and restore surface water quality in lakes, rivers, and streams; protect groundwater from degradation; and protect drinking water sources. Projects must be identified in a comprehensive watershed plan developed under the One Watershed, One Plan or metropolitan surface water management frameworks or groundwater plans. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph.

(b) \$16,000,000 the first year and \$16,000,000 the second year are for grants to local government units to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. A portion of this money may be used to seek administrative efficiencies through shared resources by multiple local governmental units. Up to 20 percent of this appropriation is available for land-treatment projects and practices that benefit drinking water.

(c) \$4,000,000 the first year and \$4,000,000 the second year are for accelerated implementation, local resource protection, enhancement grants, statewide analytical targeting tools that fill an identified gap, program enhancements for technical assistance, citizen and community outreach, compliance, and training and certification.

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

(e) \$2,500,000 the first year and \$2,500,000 the second year are to provide assistance, oversight, and grants for supporting local governments in implementing and complying with riparian protection and excessive soil loss requirements.

(f) \$4,750,000 the first year and \$4,750,000 the second year are to purchase, restore, or preserve riparian land adjacent to lakes, rivers, streams, and tributaries, by easements or contracts, to keep water on the land to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. Up to \$507,000 is for deposit in a monitoring and enforcement account.

(g) \$2,000,000 the first year and \$2,000,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise ensuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture's Nitrogen Fertilizer Management Plan, including low-nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring Conservation Reserve Program contracts. Up to \$182,000 is for deposit in a monitoring and enforcement account.

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

(i) \$2,000,000 the first year and \$2,000,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D.

(j) \$850,000 the first year and \$850,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group, coordinated under Minnesota Statutes, section 103B.101, subdivision 13, that includes projects to improve multipurpose water management under Minnesota Statutes, section 103E.015.

(k) \$11,250,000 the first year and \$6,000,000 the second year are to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. This work may be done in cooperation with the United States Department of Agriculture with a first-priority use to accomplish a conservation reserve enhancement program, or equivalent, in the state. Up to \$397,000 is for deposit in a monitoring and enforcement account.

(l) \$1,500,000 the first year and \$1,500,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but threatened with degradation. Up to \$338,000 is for deposit in a monitoring and enforcement account.

(m) \$425,000 the first year and \$425,000 the second year are for grants or contracts for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind along with tracking adoption of conservation measures, including cover crops, to address erosion. Up to \$700,000 is available for grants to or contracts with the University of Minnesota to complete this work.

(n) \$12,000,000 the first year and \$12,000,000 the second year are for payments to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331. From this appropriation, each soil and water conservation district shall receive an increase in its base funding of \$100,000 per year. Money remaining after the base increase is available for grants to soil and water conservation districts as determined by the board based on county allocations to soil and water conservation districts and amount of private land and public waters. The board and other agencies may reduce the amount of grants to a county by an amount equal to any reduction in the county's allocation to a soil and water conservation district from the county's previous year allocation when the board determines that the reduction was disproportionate. The board may use up to one percent for the administration of payments.

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

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

(q) The board must require grantees to specify the outcomes that will be achieved by the grants before any grant awards.

(r) The appropriations in this section are available until June 30, ~~2024~~ 2025, except grant funds are available for five years after the date a grant is executed, unless the commissioner of administration determines that a longer duration is in the best interest of the state according to Minnesota Statutes, section 16B.98. Returned grant funds must be regranted consistent with the purposes of this section.

Sec. 22. Laws 2019, First Special Session chapter 2, article 2, section 8, is amended to read:

Sec. 8. **DEPARTMENT OF HEALTH**

\$6,497,000

\$6,497,000

(a) \$1,700,000 the first year and \$1,700,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, for improving the department's capacity to monitor the water quality of drinking water sources and to develop interventions to improve water quality, and for the department's laboratory to analyze unregulated contaminants. Of this amount, \$400,000 the first year and \$400,000 the second year are for the commissioner to work in cooperation with the commissioners of agriculture, the Minnesota Pollution Control Agency, and natural resources to sample surface water and groundwater, including drinking water sources, and for an assessment to evaluate potential risks from microplastics and nanoplastics and identify appropriate follow-up actions. This appropriation is available until June 30, 2024.

(b) \$2,747,000 the first year and \$2,747,000 the second year are for protecting drinking water sources.

(c) \$550,000 the first year and \$550,000 the second year are to develop and deliver groundwater restoration and protection strategies on a watershed scale for use in local comprehensive water planning efforts, to provide resources to local governments for activities that protect sources of drinking water, and to enhance approaches that improve the capacity of local governmental units to protect and restore groundwater resources.

(d) \$750,000 the first year and \$750,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance, outreach, and interventions to reduce risks to private-well owners.

(e) \$250,000 the first year and \$250,000 the second year are for evaluating and addressing the risks from viruses, bacteria, and protozoa in groundwater supplies and for evaluating land uses that may contribute to contamination of public water systems with these pathogens.

(f) \$250,000 the first year and \$250,000 the second year are to develop public health policies and an action plan to address threats to safe drinking water, including development of a statewide plan for protecting drinking water.

(g) \$250,000 the first year and \$250,000 the second year are to create a road map for water reuse implementation in Minnesota and to address research gaps by studying Minnesota water reuse systems.

(h) Unless otherwise specified, the appropriations in this section are available until June 30, 2023.

Sec. 23. Laws 2019, First Special Session chapter 2, article 2, section 9, is amended to read:

Sec. 9. METROPOLITAN COUNCIL

\$1,375,000

\$1,375,000

(a) \$1,000,000 the first year and \$1,000,000 the second year are to implement projects that address emerging threats to the drinking water supply, provide cost-effective regional solutions, leverage interjurisdictional coordination, support local implementation of water supply reliability projects, and prevent degradation of groundwater resources in the metropolitan area. These projects will provide communities with:

(1) potential solutions to leverage regional water use by using surface water, storm water, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning-level cost estimates, including capital costs and operating costs;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models.

(b) \$375,000 the first year and \$375,000 the second year are for the water demand reduction grant program to encourage municipalities in the metropolitan area to implement measures to reduce water demand to ensure the reliability and protection of drinking water supplies.

(c) The appropriations in this section are available until June 30, 2023.

Sec. 24. **HEALTH RISK LIMITS; PERFLUOROCTANE SULFONATE AND NEONICOTINOIDS.**

(a) By July 1, 2023, the commissioner of health must amend the health risk limit for perfluorooctane sulfonate (PFOS) in Minnesota Rules, part 4717.7860, subpart 15, so that the health risk limit does not exceed 0.015 parts per billion.

(b) By January 15, 2024, the commissioner must adopt health risk limits for clothianidin and imidacloprid.

(c) In amending and adopting the health risk limits required under this section, the commissioner must comply with Minnesota Statutes, section 144.0751, requiring a reasonable margin of safety to adequately protect the health of infants, children, and adults.

Sec. 25. **CLEAN WATER COUNCIL; REPORT REQUIRED.**

By January 15, 2022, the Clean Water Council must submit a report or reports to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and legacy that includes:

(1) an assessment of the implementation of the high-resolution digital elevation data developed with the appropriations in Laws 2009, chapter 172, article 2, section 5, paragraph (d), and Laws 2011, First Special Session, chapter 6, article 2, section 6, paragraph (h);

(2) an assessment of the potential impacts of the February 10, 2021, decision of the Minnesota Supreme Court in the consolidated litigation styled as In the Matter of Reissuance of an NPDES/SDS Permit to United States Steel Corporation, parent case number A18-2094; and

(3) an evaluation of state agency personnel funded with money from the clean water fund, including demographic characteristics, the number of classified and unclassified positions, and other equity considerations.

Sec. 26. **CLEAN WATER COUNCIL; REQUEST FOR PROPOSAL.**

The Clean Water Council must develop and issue a request for proposal for a study of the impacts of 6PPD-quinone, a toxic chemical compound derived from a common rubber tire additive, on the state's waters and fish populations. The research must assess the prevalence of 6PPD-quinone in stormwater and surface water and impacts to the state's fish populations with priority given to areas around Lake Superior and its salmon populations.

ARTICLE 3
PARKS AND TRAILS FUND

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

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed

under the figure are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. These are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **PARKS AND TRAILS**

Subdivision 1. **Total Appropriation**

\$54,797,000

\$55,884,000

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

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2022 appropriations are available until June 30, 2024, and fiscal year 2023 appropriations are available until June 30, 2025. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of parks and trails funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing people with disabilities greater access to programs, print publications, and digital media related to the programs the recipient funds using appropriations made in this article.

Subd. 4. **Energy and Water Conservation**

Grant recipients of parks and trails funds should prioritize water and energy conservation technology and the use of renewable energy for construction and building projects funded with an appropriation made in this article.

Sec. 3. **DEPARTMENT OF NATURAL RESOURCES**

\$33,095,000

\$33,754,000

(a) \$21,698,000 the first year and \$22,130,000 the second year are for state parks, recreation areas, and trails to:

(1) connect people to the outdoors;

(2) acquire land and create opportunities;

(3) maintain existing holdings; and

(4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) \$10,849,000 the first year and \$11,065,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph must be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536, subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the Greater Minnesota Regional Parks and Trails Strategic Plan adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$450,000 the first year and \$450,000 the second year are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(c) By January 15, 2022, the Greater Minnesota Regional Parks and Trails Commission must submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2023 to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(d) By January 15, 2022, the Greater Minnesota Regional Parks and Trails Commission must submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(e) \$548,000 the first year and \$559,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

(f) The commissioner must contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$850,000 the first year and \$850,000 the second year.

(g) Grant recipients of an appropriation under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

(h) In addition to the requirements under paragraph (f), the commissioner should work to provide other opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this section.

Sec. 4. **METROPOLITAN COUNCIL**

\$21,698,000

\$22,130,000

(a) \$21,698,000 the first year and \$22,130,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any money remaining after completing the listed projects may be spent by the implementing agencies on projects to support parks and trails.

(c) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section must ensure that the money is used to supplement and not substitute for traditional sources of funding.

(d) The implementing agencies receiving appropriations under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 5. **LEGISLATURE**

\$4,000

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\$4,000 the first year is for the Legislative Coordinating Commission for the website required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 6. Minnesota Statutes 2020, section 85.015, subdivision 10, is amended to read:

Subd. 10. **Luce Line Trail, Hennepin, McLeod, and Meeker Counties.** (a) The trail shall originate at Gleason Lake in Plymouth Village, Hennepin County, ~~and shall~~ follow the route of the Chicago Northwestern Railroad, and include a connection to Greenleaf Lake State Recreation Area.

(b) The trail shall be developed for multiuse wherever feasible. The department shall cooperate in maintaining its integrity for modes of use consistent with local ordinances.

(c) In establishing, developing, maintaining, and operating the trail, the commissioner shall cooperate with local units of government and private individuals and groups. Before acquiring any parcel of land for the trail, the commissioner of natural resources shall develop a management program for the parcel and conduct a public hearing on the proposed management program in the vicinity of the parcel to be acquired. The management program of the commissioner shall include but not be limited to the following: (a) fencing of portions of the trail where necessary to protect adjoining landowners; and (b) the maintenance of the trail in a litter free condition to the extent practicable.

(d) The commissioner shall not acquire any of the right-of-way of the Chicago Northwestern Railway Company until the abandonment of the line described in this subdivision has been approved by the Surface Transportation Board or the former Interstate Commerce Commission. Compensation, in addition to the value of the land, shall include improvements made by the railroad, including but not limited to, bridges, trestles, public road crossings, or any portion thereof, it being the desire of the railroad that such improvements be included in the conveyance. The fair market value of the land and improvements shall be recommended by two independent appraisers mutually agreed upon by the parties. The fair market value thus recommended shall be reviewed by a review appraiser agreed to by the parties, and the fair market value thus determined, and supported by appraisals, may be the purchase price. The commissioner may exchange lands with landowners abutting the right-of-way described in this section to eliminate diagonally shaped separate fields.

Sec. 7. Minnesota Statutes 2020, section 85.53, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) A project or program receiving funding from the parks and trails fund must meet or exceed the constitutional requirement to support parks and trails of regional or statewide significance. A project or program receiving funding from the parks and trails fund must include measurable outcomes, as defined in section 3.303, subdivision 10, ~~and~~ a plan for measuring and evaluating the results; and an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota. A project or program must be consistent with current science and incorporate state-of-the-art technology, except when the project or program is a portrayal or restoration of historical significance.

(b) Money from the parks and trails fund shall be expended to balance the benefits across all regions and residents of the state.

(c) A state agency or other recipient of a direct appropriation from the parks and trails fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available.

(d) Grants funded by the parks and trails fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regranting envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the parks and trails fund may only be spent on projects located in Minnesota.

(f) When practicable, a direct recipient of an appropriation from the parks and trails fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(g) Future eligibility for money from the parks and trails fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the parks and trails fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the parks and trails fund until the recipient demonstrates compliance to the legislative auditor.

(h) Any state agency or organization requesting a direct appropriation from the parks and trails fund must inform the house of representatives and senate committees having jurisdiction over the parks and trails fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 8. PROCTOR-HERMANTOWN MUNGER TRAIL SPUR; EXTENSION.

The portion of the appropriation in Laws 2017, chapter 91, article 3, section 3, paragraph (b), from the parks and trails fund granted to the city of Hermantown for the Proctor-Hermantown Munger Trail Spur project is available until June 30, 2022.

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

ARTICLE 4
ARTS AND CULTURAL HERITAGE FUND

Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2022" and "2023" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2022, and June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. All appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **ARTS AND CULTURAL HERITAGE**

Subdivision 1. Total Appropriation**\$73,132,000****\$ 76,617,000**

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

Subd. 2. Availability of Appropriation

Money appropriated in this article must not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2022 appropriations are available until June 30, 2023, and fiscal year 2023 appropriations are available until June 30, 2024. Water and energy conservation technology and the use of renewable energy should be priorities for construction and building projects funded through this appropriation. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. Minnesota State Arts Board**34,372,000****36,010,000**

(a) The amounts in this subdivision are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

(b) Arts and Arts Access Initiatives

\$27,497,000 the first year and \$28,808,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

(c) Arts Education

\$5,156,000 the first year and \$5,401,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

(d) Arts and Cultural Heritage

\$1,719,000 the first year and \$1,801,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Up to \$3,168,000 of the funds appropriated in paragraphs (b) to (d) may be used by the board for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability in fiscal years 2022 and 2023.

(f) Up to 30 percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(g) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 4. Minnesota Historical Society15,606,00017,457,000

(a) The amounts in this subdivision are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not substitute for traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2025. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

(b) Historical Grants and Programs**(1) Statewide Historic and Cultural Grants**

\$6,000,000 the first year and \$7,000,000 the second year are for statewide historic and cultural grants to local, county, regional, or other historical or cultural organizations or for activities to

preserve significant historic and cultural resources. Money must be distributed through a competitive grant process. The Minnesota Historical Society must administer the money using established grant mechanisms with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

Of this amount, \$50,000 the first year is for a grant to the city of South St. Paul to relocate the gatehouses in the BridgePoint Business Park that remain from the Armour & Company Meatpacking Campus.

(2) Statewide History Programs

\$6,213,000 the first year and \$7,000,000 the second year are for historic and cultural programs and purposes related to the heritage of the state.

Of this amount, \$213,000 the first year must be used by the Board of Directors of the Minnesota Historical Society to either produce or purchase and to distribute a book to engage and educate elementary school students on Minnesota's natural resources, legacy, culture, and history. The book should be made available cost-free to educators and libraries and through state historical society sites to provide to a targeted grade of elementary school students.

(3) History Partnerships

\$2,450,000 the first year and \$2,550,000 the second year are for history partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

\$475,000 the first year and \$525,000 the second year are for one or more contracts to be competitively awarded to conduct statewide surveys or investigations of Minnesota's sites of historical, archeological, and cultural significance. Results of the surveys or investigations must be published in a searchable form and available to the public cost-free. The Minnesota Historical Society, the Office of the State Archeologist, the Indian Affairs Council, and the State Historic Preservation Office must each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys or investigations. The oversight board must consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

\$368,000 the first year and \$382,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society must cooperate with the Minitex interlibrary loan system and must jointly share this appropriation for these purposes.

(6) Grants

\$100,000 the first year is for a grant to the Litchfield Opera House to restore and renovate the historic Litchfield Opera House.

(c) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 5. Department of Education2,775,0002,775,000

(a) \$2,500,000 each year is appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. This money must be allocated using the formulas in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. This money may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. This money must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2023, as grants or contracts in this subdivision are available until June 30, 2025.

(b) \$150,000 each year is appropriated to the commissioner of education for a water safety grant program. The commissioner of education must allocate grants to eligible applicants. Eligible applicants include nonprofit organizations and city and county parks and recreation programs providing swimming lessons to youth. Eligible applicants are not required to partner with other entities. Grant funds must primarily be used to provide scholarships to low-income and at-risk children for swimming lessons. Up to 15 percent of the grant funds may also be used to hire water safety instructors or lifeguards or train water safety instructors or lifeguards in nationally recognized water safety practices and instruction. This appropriation is available until June 30, 2023.

(c) \$125,000 each year is appropriated to the commissioner of education for a grant to the entity designated by the Library of Congress as the Minnesota Center for the Book to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the Center for the Book designation.

Subd. 6. Department of Administration

10,650,000

10,450,000

(a) The amounts in this subdivision are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary for the administration of grants in this subdivision.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

(c) Minnesota Public Radio

\$1,750,000 each year is for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(d) Association of Minnesota Public Educational Radio Stations

\$1,850,000 the first year and \$1,650,000 the second year are to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19. Of this amount, \$200,000 the first year is for statewide programming to produce and distribute the Veterans' Voices program to educate and engage communities regarding Minnesota veterans' contributions, knowledge, skills, and experiences with an emphasis on the untold stories of veterans from diverse communities. The funds are available until June 30, 2023.

(e) Public Television

\$4,250,000 each year is to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18.

(f) Wilderness Inquiry

\$400,000 each year is to Wilderness Inquiry to preserve Minnesota's outdoor history, culture, and heritage by connecting Minnesota youth to natural resources.

(g) Como Park Zoo

\$1,500,000 each year is to the Como Park Zoo and Conservatory for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(h) Science Museum of Minnesota

\$650,000 each year is to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

(i) Appetite for Change

\$75,000 each year is to the nonprofit Appetite for Change for the Community Cooks programming, which will preserve the cultural heritage of growing and cooking food in Minnesota.

(j) Lake Superior Zoo

\$150,000 each year is to the Lake Superior Zoo to develop educational exhibits and programs.

(k) Midwest Outdoors Unlimited

\$25,000 each year is to Midwest Outdoors Unlimited to preserve Minnesota's outdoor history, culture, and heritage by connecting individuals and youth with disabilities to the state's natural resources.

Subd. 7. Minnesota Zoo1,750,0001,750,000

The amounts in this subdivision are appropriated to the Minnesota Zoological Board for programs at and development of the Minnesota Zoological Garden and to provide access and education related to programs on the cultural heritage of Minnesota.

Subd. 8. Minnesota Humanities Center5,875,0005,875,000

(a) The amounts in this subdivision are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 4.5 percent of the following grants, and up to 5.5 percent of the appropriations specific to competitive grants programs, to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants under this subdivision and must submit the plan for review and approval by

the commissioner of administration. The written plan must require the Minnesota Humanities Center to create and adhere to grant policies that are similar to those established according to Minnesota Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded under this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

(b) Programs and Purposes

\$1,250,000 each year is for programs and purposes of the Minnesota Humanities Center, including the kindergarten through grade 12 education activities and professional development events, the Veterans' Voices program, and the "Why Treaties Matter" exhibits and programming.

(c) Children's Museum Grants

\$925,000 the first year and \$925,000 the second year are for grants to children's museums for arts and cultural exhibits and related educational outreach programs.

Of this amount:

(1) \$375,000 each year is for the Minnesota Children's Museum for interactive exhibits and outreach programs on arts and cultural heritage; and

(2) \$550,000 each year is for grants to other children's museums to be distributed through a competitive grant process. Priority must be given to youth education, new exhibits development, and outreach to underserved and diverse communities and programming that celebrates cultural diversity. The Minnesota Humanities Center must administer these funds using established grant mechanisms.

(d) Community Identity and Heritage Grant Program

\$3,625,000 each year is for a competitive grants program to provide grants to preserve and promote the cultural heritage of Minnesota.

Of this amount, \$25,000 each year is for outreach and education on humanities center grant programs with a focus on reaching diverse community organizations and providing assistance on grant opportunities, qualifications, reporting requirements, and capacity building to underserved communities.

The Minnesota Humanities Center must operate a competitive grants program to provide grants to:

- (1) preserve and honor the cultural heritage of Minnesota;
- (2) provide education and student outreach on cultural diversity;
- (3) provide programming that empowers communities to build their identity and culture; and
- (4) bring culturally diverse artists and arts programming and performance to a wider audience.

The Minnesota Humanities Center must partner with community advocates and artists from diverse communities to ensure diversity on grant award panels. Grants provided under this section may allow the receiving organizations to award individual artists, artistic groups, cultural organizations, and nonprofits with grants to create and share diverse cultural experiences with audiences in Minnesota, provided the organizations comply with all the requirements of statutory reporting requirements for legacy grants and any other grant contract provisions required by the Minnesota Humanities Center.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach the art, culture, and heritage of immigrant communities from Asian and Pacific Island communities, with a focus on the immigrant communities that have developed large populations in Minnesota and the new and emerging immigrant groups from Southeast Asia. Of this amount, \$75,000 each year is for a grant to the Hmong Museum, \$75,000 each year is for a grant to the Hmong Cultural Center Museum, \$50,000 each year is to DIAL group, and \$50,000 each year is to SGU Veterans and Families of USA, Inc. for museum-related programming and educational efforts to teach the public about the history and cultural heritage of Hmong Minnesotans.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach Somali and African art and heritage, with a focus on the Somali diaspora and other African immigrant communities in Minnesota. Of this amount, \$100,000 each year is for a grant to Rising Impact, and \$100,000 each year is for a grant to Somali Museum for these organizations to provide arts education and workshops, mentor programs, community presentations, or community engagement events throughout Minnesota on Somali arts and culture.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach Indigenous arts and cultural activities, with a focus on the arts and culture of the 11 Tribes in Minnesota. Of this amount, \$200,000 each year is for a grant to the Lower Phalen Creek Project for planning, design, installation, website and mobile application programming, and cultural and historical educational programming for the interpretive center at the Wakan Tipi Center.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach the art and heritage of the African American community. Of this amount, \$200,000 each year is for a grant to the Minnesota African American Heritage Museum and Gallery for arts and cultural heritage programming celebrating African American and Black communities in Minnesota.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach the art and heritage of the Latinx community. Of this amount, \$100,000 each year is to CLUES for arts and activities related to Latino arts and culture.

Of this amount, \$600,000 each year is for grants to organizations or individuals working to create, celebrate, and teach the art and heritage of underrepresented cultural groups, including communities of Black, Indigenous, and people of color, to celebrate the cultural diversity of Minnesota. Grants from this section may include grants to nonprofit television and nonprofit radio that do not normally get grant funding under the arts and cultural heritage fund.

(e) \$75,000 each year is for grants to the Minnesota Civics Education Coalition: Minnesota Civic Youth, the Learning Law and Democracy Foundation, and YMCA Youth in Government to conduct civics education programs.

Subd. 9. Indian Affairs Council

2,000,000

2,000,000

\$2,000,000 each year is appropriated to the Indian Affairs Council for grants for preserving Dakota and Ojibwe Indian languages and for protecting Indian graves. The money must be distributed as follows:

(1) \$700,000 each year is to provide grants to Minnesota Tribal Nations to preserve Dakota and Ojibwe Indian languages and to foster education programs and services for Dakota and Ojibwe languages;

(2) \$460,000 each year is for grants to Dakota and Ojibwe Indian language immersion educational institutions;

(3) \$700,000 each year is to provide grants to preserve the Dakota and Ojibwe Indian languages through support of projects and services and to support educational programs and immersion efforts in Dakota and Ojibwe Indian languages;

(4) \$50,000 each year is to the Indian Affairs Council for a Dakota and Ojibwe Indian language working group coordinated by the Indian Affairs Council; and

(5) \$90,000 each year is to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the federal Native American Graves Protection and Repatriation Act.

Subd. 10. Department of Agriculture

100,000

300,000

The amounts in this subdivision are appropriated to the commissioner of agriculture for grants to county agricultural societies to enhance arts access and education and to preserve and promote Minnesota's history and cultural heritage as embodied in its county fairs. The grants are in addition to the aid distribution to county agricultural societies under Minnesota Statutes, section 38.02. The commissioner of agriculture must develop grant-making criteria and guidance for expending money under this subdivision to provide funding for projects and events that provide access to the arts or the state's agricultural, historical, and cultural heritage. The commissioner must seek input from all interested parties. Money not used in the first year may be used in the second year.

Subd. 11. Legislative Coordinating Commission

4,000

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The amount in this subdivision is appropriated to the Legislative Coordinating Commission to maintain the website required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 3. Minnesota Statutes 2020, section 129D.17, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) Funding from the arts and cultural heritage fund may be spent only for arts, arts education, and arts access, and to preserve Minnesota's history and cultural heritage. A project or program receiving funding from the arts and cultural heritage fund must include measurable outcomes, ~~and~~ a plan for measuring and evaluating the results, and an assessment of whether the funding celebrates cultural diversity or reaches diverse audiences in Minnesota. A project or program must be consistent with current scholarship, or best practices, when appropriate and must incorporate state-of-the-art technology when appropriate.

(b) Funding from the arts and cultural heritage fund may be granted for an entire project or for part of a project so long as the recipient provides a description and cost for the entire project and can demonstrate that it has adequate resources to ensure that the entire project will be completed.

(c) Money from the arts and cultural heritage fund shall be expended for benefits across all regions and residents of the state.

(d) A state agency or other recipient of a direct appropriation from the arts and cultural heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available.

(e) Grants funded by the arts and cultural heritage fund must be implemented according to section 16B.98 and must account for all expenditures of funds. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(f) All money from the arts and cultural heritage fund must be for projects located in Minnesota.

(g) When practicable, a direct recipient of an appropriation from the arts and cultural heritage fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(h) Future eligibility for money from the arts and cultural heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the arts and cultural heritage fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the arts and cultural heritage fund until the recipient demonstrates compliance to the legislative auditor.

(i) Any state agency or organization requesting a direct appropriation from the arts and cultural heritage fund must inform the house of representatives and senate committees having jurisdiction over the arts and cultural heritage fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 4. Minnesota Statutes 2020, section 471.59, subdivision 1, is amended to read:

Subdivision 1. **Agreement.** (a) Two or more governmental units, by agreement entered into through action of their governing bodies, may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised. The agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

(b) The term "governmental unit" as used in this section includes every city, county, town, school district, service cooperative under section 123A.21, independent nonprofit firefighting corporation, other political subdivision of this or another state, another state, federally recognized Indian Tribe, the University of Minnesota, the Minnesota Historical Society, historic preservation corps under paragraph (c), nonprofit hospitals licensed under sections 144.50 to 144.56, rehabilitation facilities and extended employment providers that are certified by the commissioner of employment and economic development, day and supported employment services licensed under chapter 245D, and any agency of the state of Minnesota or the United States, and includes any instrumentality of a governmental unit. For the purpose of this section, an instrumentality of a governmental unit means an instrumentality having independent policy-making and appropriating authority.

(c) For purposes of this section, "historic preservation corps" means a nonprofit corporation under section 501(c)(3) of the Internal Revenue Code that provides on-the-job training and workforce development skills to youth and young adults by engaging them in repairing and maintaining historic structures, buildings, and sites. Historic preservation corps are governmental units for the purposes of this section and have the rights and liabilities available under this section.

Sec. 5. Laws 2019, First Special Session chapter 2, article 4, section 2, subdivision 6, is amended to read:

Subd. 6. Department of Administration	11,561,000	10,050,000
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(a) These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary to the administration of grants in this subdivision.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

(c) **Minnesota Public Radio**

\$1,700,000 the first year and \$1,775,000 the second year are for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(d) **Association of Minnesota Public Educational Radio Stations**

\$1,775,000 the first year and \$1,700,000 the second year are to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19. Of this amount, \$75,000 the first year is for the Veterans' Voices program to educate and engage communities regarding veterans' contributions, knowledge, skills, and experiences with an emphasis on Korean War veterans.

(e) **Public Television**

\$4,895,000 the first year and \$4,025,000 the second year are to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18. Of this amount, \$950,000 the first year is for a grant to Twin Cities Public Television to produce *Minnesota Journeys: Capturing, Sharing, and Understanding Our Immigration History*.

(f) **Wilderness Inquiry**

\$375,000 each year is to Wilderness Inquiry for the Canoemobile program, which provides students with an outdoor educational experience aligned with the Minnesota history graduation standards.

(g) Como Park Zoo

\$1,350,000 each year is for a grant to the Como Park Zoo and Conservatory for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(h) Science Museum of Minnesota

\$650,000 each year is to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

(i) Great Lakes Aquarium

\$75,000 each year is to the Lake Superior Center to prepare and construct an exhibit demonstrating the role of water in Minnesota's history and cultural heritage.

(j) Lake Superior Zoo

\$75,000 each year is to the Lake Superior Zoo to develop educational exhibits and programs.

(k) Phalen Park China Garden

\$400,000 the first year is to the city of St. Paul to design and develop the Chinese garden in Phalen Park in collaboration with local artists and members of the local Hmong community including cultural leaders who understand the traditional Hmong landscaping and building practices and a local artist that can help tell the Hmong experience. An individual or professional contracted to provide goods or services under this paragraph must be a resident of Minnesota. This appropriation is available until June 30, 2023.

(l) Green Giant Museum

\$141,000 the first year is to the city of Blue Earth for exhibits and programming for the Green Giant Museum to preserve the culture and agricultural history of Minnesota.

(m) Martin County Veterans Memorial

\$100,000 the first year is to Martin County to design and construct a memorial to those who have served in the military of the United States of America and those who have died in the line of duty. This appropriation is not available until the commissioner of

management and budget has determined that at least an equal amount has been committed to the project from nonstate sources to complete the project.

(n) **Midwest Outdoors Unlimited**

\$25,000 each year is for a grant to Midwest Outdoors Unlimited to preserve Minnesota's outdoor history, culture, and heritage by connecting individuals and youth with disabilities to the state's natural resources.

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

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying and extending prior appropriations; modifying requirements to use money from legacy funds; modifying trail provisions; modifying provisions for joint exercise of powers; requiring reports and studies; amending Minnesota Statutes 2020, sections 85.015, subdivision 10; 85.53, subdivision 2; 97A.056, subdivisions 9, 11; 114D.50, subdivision 4; 129D.17, subdivision 2; 471.59, subdivision 1; Laws 2017, chapter 91, article 2, sections 3; 5; 6; 8; Laws 2019, First Special Session chapter 2, article 2, sections 3; 4; 5; 6; 7; 8; 9; article 4, section 2, subdivision 6; Laws 2020, chapter 104, article 1, section 2, subdivision 5."

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

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1103, A bill for an act relating to public safety; imposing duties on peace officers and law enforcement agencies regarding video and audio recordings of use of deadly force; providing for a civil remedy; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Judiciary Finance and Civil Law.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1104, A bill for an act relating to public safety; prohibiting immunity for peace officers; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Judiciary Finance and Civil Law.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1159, A bill for an act relating to human services; extending temporary personal care assistance compensation for services provided by a parent or spouse; appropriating money; amending Laws 2020, Fifth Special Session chapter 3, article 10, section 3.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1340, A bill for an act relating to children; modifying requirements for the responsible social services agency placing children in qualified residential treatment programs; amending Minnesota Statutes 2020, sections 245.4885, subdivision 1; 245A.02, by adding subdivisions; 245A.041, by adding a subdivision; 256.01, subdivision 14b; 256.0112, subdivision 6; 260C.007, subdivisions 26c, 31; 260C.157, subdivision 3; 260C.212, subdivisions 1a, 13; 260C.4412; 260C.452; 260C.704; 260C.706; 260C.708; 260C.71; 260C.712; 260C.714; 260D.01; 260D.05; 260D.06, subdivision 2; 260D.07; 260D.08; 260D.14; 260E.36, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1532, A bill for an act relating to human services; modifying community supports provisions; amending Minnesota Statutes 2020, sections 245.4874, subdivision 1; 245.697, subdivision 1; 252.43; 252A.01, subdivision 1; 252A.02, subdivisions 2, 9, 11, 12, by adding subdivisions; 252A.03, subdivisions 3, 4; 252A.04, subdivisions 1, 2, 4; 252A.05; 252A.06, subdivisions 1, 2; 252A.07, subdivisions 1, 2, 3; 252A.081, subdivisions 2, 3, 5; 252A.09, subdivisions 1, 2; 252A.101, subdivisions 2, 3, 5, 6, 7, 8; 252A.111, subdivisions 2, 4, 6; 252A.12; 252A.16; 252A.17; 252A.19, subdivisions 2, 4, 5, 7, 8; 252A.20; 252A.21, subdivisions 2, 4; 254B.03, subdivision 2; 256.042, subdivisions 2, 4; 256B.051, subdivisions 1, 3, 5, 6, 7, by adding a subdivision; 256B.0947, subdivision 6; 256B.4912, subdivision 13; 256B.69, subdivision 5a; 256B.85, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 11b, 12, 12b, 13, 13a, 15, 17a, 18a, 20b, 23, 23a, by adding subdivisions; 256L.03, subdivision 1; repealing Minnesota Statutes 2020, sections 252.28, subdivisions 1, 5; 252A.02, subdivisions 8, 10; 252A.21, subdivision 3.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

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

H. F. No. 1684, A bill for an act relating to transportation; making technical changes to remove certain obsolete dates; amending Minnesota Statutes 2020, sections 174.185, subdivision 3; 174.24, subdivision 7; 174.285, subdivision 5; 174.40, subdivision 5; 174.56, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
TRANSPORTATION APPROPRIATIONS

Section 1. **TRANSPORTATION APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. Unless specified otherwise, the amounts in the second year under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund.

APPROPRIATIONS
Available for the Year
Ending June 30
2022 **2023**

Sec. 2. **DEPARTMENT OF TRANSPORTATION**

Subdivision 1. **Total Appropriation** **\$3,170,442,000** **\$3,080,505,000**

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>33,121,000</u>	<u>19,565,000</u>
<u>Airports</u>	<u>25,360,000</u>	<u>25,368,000</u>
<u>C.S.A.H.</u>	<u>865,933,000</u>	<u>906,924,000</u>
<u>M.S.A.S.</u>	<u>216,720,000</u>	<u>227,421,000</u>
<u>Special Revenue</u>	<u>11,937,000</u>	<u>20,006,000</u>
<u>Trunk Highway</u>	<u>2,017,371,000</u>	<u>1,881,221,000</u>

The appropriations in this section are to the commissioner of transportation.

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

Subd. 2. Multimodal Systems**(a) Aeronautics**

(1) <u>Airport Development and Assistance</u>	<u>18,598,000</u>	<u>18,598,000</u>
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This appropriation is from the state airports fund and must be spent according to Minnesota Statutes, section 360.305, subdivision 4.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, this appropriation is available for five years after appropriation. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

If the commissioner of transportation determines that a balance remains in the state airports fund following the appropriations made in this article and that the appropriations made are insufficient for advancing airport development and assistance projects, an amount necessary to advance the projects, not to exceed the balance in the state airports fund, is appropriated in each year to the commissioner and must be spent according to Minnesota Statutes, section 360.305, subdivision 4. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. Funds appropriated under this contingent appropriation do not adjust the base for fiscal years 2024 and 2025.

(2) <u>Aviation Support Services</u>	<u>8,332,000</u>	<u>8,340,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
Airports	<u>6,682,000</u>	<u>6,690,000</u>
Trunk Highway	<u>1,650,000</u>	<u>1,650,000</u>

(3) <u>Civil Air Patrol</u>	<u>80,000</u>	<u>80,000</u>
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This appropriation is from the state airports fund for the Civil Air Patrol.

(b) <u>Transit and Active Transportation</u>	<u>21,601,000</u>	<u>18,201,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>20,649,000</u>	<u>17,249,000</u>
Trunk Highway	<u>952,000</u>	<u>952,000</u>

\$3,400,000 in fiscal year 2022 from the general fund is for the active transportation program under Minnesota Statutes, section 174.38.

(c) **Safe Routes to School** 2,000,000 500,000

This appropriation is from the general fund for the safe routes to school program under Minnesota Statutes, section 174.40.

(d) **Passenger Rail** 3,000,000 500,000

This appropriation is from the general fund for passenger rail activities under Minnesota Statutes, sections 174.632 to 174.636.

\$2,500,000 in fiscal year 2022 is for final design and construction to provide for a second daily Amtrak train service between Minneapolis and St. Paul and Chicago.

(e) **Freight** 6,992,000 7,036,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>1,114,000</u>	<u>1,158,000</u>
Trunk Highway	<u>5,878,000</u>	<u>5,878,000</u>

(f) **Electric Vehicle Infrastructure** 2,470,000 344,000

This appropriation is from the electric vehicle infrastructure account in the special revenue fund under section 174.48, subdivision 3, for the electric vehicle infrastructure development program under that section.

The base is \$340,000 in fiscal year 2024 and \$537,000 in fiscal year 2025.

Subd. 3. **State Roads**

(a) **Operations and Maintenance** 389,478,000 399,645,000

The base is \$392,533,000 in fiscal year 2024 and \$405,602,000 in fiscal year 2025.

(b) **Program Planning and Delivery**

(1) **Planning and Research** 37,890,000 31,190,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	6,200,000	-0-
<u>Trunk Highway</u>	31,690,000	31,190,000

If a balance remains of this appropriation, the commissioner may transfer up to that amount for program delivery under clause (2).

\$6,200,000 in fiscal year 2022 from the general fund is for a grant to ReConnect Rondo for project development of the Rondo Land Bridge freeway lid over marked Interstate Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul. Eligible uses of funds include but are not limited to project management, area planning and design, project assessment and analysis, market research, financial evaluation, community outreach, fund-raising, redevelopment programming, and organizational capacity activities. This is a onetime appropriation and is available until June 30, 2023. The commissioner must not require an expenditure prior to making grant funds available.

Up to \$500,000 in fiscal year 2022 from the trunk highway fund is for safety improvements in Department of Transportation District 1, to perform cost estimating, environmental permitting, and preliminary engineering on trunk highway segments with a continuous freeway or expressway gap.

\$130,000 in each year from the trunk highway fund is available for administrative costs of the targeted group business program.

\$266,000 in each year from the trunk highway fund is available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

\$900,000 in each year from the trunk highway fund is available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available: (1) to regional development commissions; (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission; and (3) in regions where no regional development commission or joint powers board is functioning, to the Department of Transportation district office for that region.

(2) Program Delivery

244,480,000

251,476,000

This appropriation includes use of consultants to support development and management of projects.

\$1,000,000 in each year is available for management of contaminated and regulated material on property owned by the Department of Transportation, including mitigation of property conveyances, facility acquisition or expansion, chemical release at maintenance facilities, and spills on the trunk highway system where there is no known responsible party. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The base is \$247,209,000 in fiscal year 2024 and \$255,050,000 in fiscal year 2025.

(c) State Road Construction

1,207,689,000

1,054,676,000

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts, internal department costs associated with delivering the construction program, consultant usage to support these activities, and the cost of actual payments to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

The commissioner of transportation must notify the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance of any significant events that should cause the estimate of federal aid to change.

This appropriation includes federal highway aid.

The commissioner may expend up to one-half of one percent of the federal appropriations under this paragraph as grants to opportunity industrialization centers and other nonprofit job training centers for job training programs related to highway construction.

The commissioner may transfer up to \$15,000,000 in each year to the transportation revolving loan fund.

The commissioner may receive money covering other shares of the cost of partnership projects. These receipts are appropriated to the commissioner for these projects.

The base is \$1,004,607,000 in fiscal year 2024 and \$1,035,972,000 in fiscal year 2025.

(d) Corridors of Commerce

25,000,000

25,000,000

This appropriation is for the corridors of commerce program under Minnesota Statutes, section 161.088. The commissioner may use up to 17 percent of the amount in each year for program delivery.

(e) Highway Debt Service225,773,000259,735,000

\$222,773,000 in fiscal year 2022 and \$256,735,000 in fiscal year 2023 are for transfer to the state bond fund. If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of management and budget must transfer the deficiency amount under the statutory open appropriation and notify the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance and the chairs of the senate Finance Committee and the house of representatives Ways and Means Committee of the amount of the deficiency. Any excess appropriation cancels to the trunk highway fund.

(f) Statewide Radio Communications6,236,0006,236,000**(g) Roosevelt Signal Tower**3,0003,000

This appropriation is from the general fund to equip and operate the Roosevelt signal tower for Lake of the Woods weather broadcasting.

Subd. 4. Local Roads**(a) County State-Aid Highways**865,933,000906,924,000

This appropriation is from the county state-aid highway fund under Minnesota Statutes, section 161.081, and Minnesota Statutes, chapter 162, and is available until June 30, 2031.

If the commissioner of transportation determines that a balance remains in the county state-aid highway fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing county state-aid highway projects, an amount necessary to advance the projects, not to exceed the balance in the county state-aid highway fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The commissioner must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(b) Municipal State-Aid Streets216,720,000227,421,000

This appropriation is from the municipal state-aid street fund under Minnesota Statutes, chapter 162, and is available until June 30, 2031.

If the commissioner of transportation determines that a balance remains in the municipal state-aid street fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing municipal state-aid street projects, an amount necessary to advance the projects, not to exceed the balance in the municipal state-aid street fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The commissioner must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(c) **Small Cities Assistance** 9,467,000 19,662,000

This appropriation is from the small cities assistance account in the special revenue fund under Minnesota Statutes, section 162.145, subdivision 2, for the small cities assistance program under that section.

Subd. 5. Agency Management

(a) **Agency Services** 63,599,000 63,599,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>100,000</u>	<u>100,000</u>
Trunk Highway	<u>63,499,000</u>	<u>63,499,000</u>

\$100,000 in each year from the general fund is for facilitation of Tribal training for state agencies.

(b) **Buildings** 40,274,000 40,474,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>55,000</u>	<u>55,000</u>
Trunk Highway	<u>40,219,000</u>	<u>40,419,000</u>

Any money appropriated to the commissioner of transportation for building construction for any fiscal year before fiscal year 2022 is available to the commissioner during the biennium to the extent that the commissioner spends the money on the building construction projects for which the money was originally

encumbered during the fiscal year for which it was appropriated. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(c) Tort Claims

600,000

600,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Transfers

(a) With the approval of the commissioner of management and budget, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. Transfers under this paragraph must not be made: (1) between funds; (2) from the appropriations for state road construction or debt service; or (3) from the appropriations for operations and maintenance or program delivery, except for a transfer to state road construction or debt service.

(b) The commissioner of transportation must immediately report transfers under paragraph (a) to the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance. The authority for the commissioner of transportation to make transfers under Minnesota Statutes, section 16A.285, is superseded by the authority and requirements under this paragraph.

(c) The commissioner shall transfer from the flexible highway account in the county state-aid highway fund: (1) \$10,000,000 in fiscal year 2022 to the trunk highway fund; (2) \$5,000,000 in fiscal year 2022 to the municipal turnback account in the municipal state-aid street fund; and (3) the remainder in fiscal year 2022 to the county turnback account in the county state-aid highway fund. The funds transferred are for highway turnback purposes as provided under Minnesota Statutes, section 161.081, subdivision 3.

Subd. 7. Contingent Appropriations

The commissioner of transportation, with the approval of the governor and the written approval of at least five members of a group consisting of the members of the Legislative Advisory Commission under Minnesota Statutes, section 3.30, and the ranking minority members of the legislative committees with jurisdiction over transportation finance, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation: (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund or to take advantage of federal advanced construction funding; (2) for trunk highway maintenance

in order to meet an emergency; or (3) to pay tort or environmental claims. Nothing in this subdivision authorizes the commissioner to increase the use of federal advanced construction funding beyond amounts specifically authorized. Any transfer as a result of the use of federal advanced construction funding must include an analysis of the effects on the long-term trunk highway fund balance. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 3. **METROPOLITAN COUNCIL**

Subdivision 1. **Total Appropriation**

\$90,152,000

\$88,662,000

The appropriations in this section are from the general fund to the Metropolitan Council.

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

Subd. 2. **Transit**

33,736,000

32,686,000

This appropriation is for transit system operations under Minnesota Statutes, sections 473.371 to 473.449.

\$32,000 in each year is for the bus deployment analysis requirements under Minnesota Statutes, section 473.391, subdivision 3.

\$500,000 in fiscal year 2022 is for the zero-emission transit vehicle transition plan under Minnesota Statutes, section 473.3927.

\$250,000 in fiscal year 2022 is for an analysis of transit service improvements in the marked Trunk Highway 55 corridor from Medina to downtown Minneapolis. At a minimum, the analysis must include options for highway bus rapid transit service. The council must ensure that the analysis is performed in a manner that does not conflict with requirements for federal transit or transitway grants. The council may provide a grant to a local unit of government to perform the analysis. This appropriation is not available until the council determines that at least an equal amount is committed from nonstate sources.

\$300,000 in fiscal year 2022 is for a grant to transportation management organizations that provide services exclusively or primarily in the city located along the marked Interstate Highway 494 corridor having the highest population as of July 1, 2021. The council must not retain any portion of the funds under this rider and must make grant payments in full by July 31, 2021. Funds under this grant are for programming and service expansion to assist companies and commuters in telecommuting efforts and promotion of best practices. A grant recipient must provide telework resources, assistance, information, and related activities on a statewide basis.

Subd. 3. Metro Mobility56,416,00055,976,000

This appropriation is for Metro Mobility under Minnesota Statutes, section 473.386.

Sec. 4. DEPARTMENT OF PUBLIC SAFETY**Subdivision 1. Total Appropriation**\$254,460,000\$236,926,000Appropriations by Fund

	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>1,512,000</u>	<u>30,067,000</u>	<u>22,969,000</u>
<u>H.U.T.D.</u>	<u>11,000</u>	<u>9,304,000</u>	<u>9,300,000</u>
<u>Special Revenue</u>	<u>-0-</u>	<u>74,830,000</u>	<u>66,415,000</u>
<u>Trunk Highway</u>	<u>1,166,000</u>	<u>139,809,000</u>	<u>137,792,000</u>

The appropriations in this section are to the commissioner of public safety.

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

Subd. 2. Administration and Related Services**(a) Office of Communications**575,000575,000Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>130,000</u>	<u>130,000</u>
<u>Trunk Highway</u>	<u>445,000</u>	<u>445,000</u>

(b) Public Safety Support5,809,0005,846,000Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>1,418,000</u>	<u>1,455,000</u>
<u>Trunk Highway</u>	<u>4,391,000</u>	<u>4,391,000</u>

(c) Public Safety Officer Benefits640,000640,000

This appropriation is from the general fund for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(d) **Public Safety Officer Reimbursements** 1,367,000 1,367,000

This appropriation is from the general fund for transfer to the public safety officer's benefit account. This money is available for reimbursements under Minnesota Statutes, section 299A.465.

(e) **Soft Body Armor Reimbursements** 745,000 745,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>645,000</u>	<u>645,000</u>
Trunk Highway	<u>100,000</u>	<u>100,000</u>

This appropriation is for soft body armor reimbursements under Minnesota Statutes, section 299A.38.

(f) **Technology and Support Services** 6,299,000 6,299,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	<u>1,365,000</u>	<u>1,365,000</u>
H.U.T.D.	<u>19,000</u>	<u>19,000</u>
Trunk Highway	<u>4,915,000</u>	<u>4,915,000</u>

Subd. 3. **State Patrol**

(a) **Patrolling Highways** 119,045,000 117,162,000

Appropriations by Fund

	<u>2021</u>	<u>2022</u>	<u>2023</u>
General	<u>-0-</u>	<u>37,000</u>	<u>37,000</u>
H.U.T.D.	<u>-0-</u>	<u>92,000</u>	<u>92,000</u>
Trunk Highway	<u>1,166,000</u>	<u>118,916,000</u>	<u>117,033,000</u>

\$1,166,000 in fiscal year 2021 is appropriated from the trunk highway fund to the commissioner of public safety for patrolling highways. This amount is in addition to the appropriation under Laws 2019, First Special Session chapter 3, article 1, section 4, subdivision 3, paragraph (a).

(b) **Commercial Vehicle Enforcement** 10,548,000 10,414,000

(c) **Capitol Security** 20,795,000 16,852,000

This appropriation is from the general fund.

\$1,512,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of public safety for capitol security. This amount is in addition to the appropriation under Laws 2019, First Special Session chapter 3, article 1, section 4, subdivision 3, paragraph (c).

The commissioner must not (1) spend any money from the trunk highway fund for capitol security, or (2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

(d) Vehicle Crimes Unit 957,000 953,000

This appropriation is from the highway user tax distribution fund for the vehicle crimes unit to investigate:

(1) registration tax and motor vehicle sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and

(2) illegal or improper activity related to the sale, transfer, titling, and registration of motor vehicles.

\$11,000 in fiscal year 2021 is appropriated from the highway user tax distribution fund to the commissioner of public safety for the vehicle crimes unit.

Subd. 4. Driver and Vehicle Services

(a) Driver Services 41,964,000 37,690,000

This appropriation is from the driver services operating account in the special revenue fund under Minnesota Statutes, section 299A.705, subdivision 2.

\$1,140,000 in each year is for temporary staff to implement the requirements under article 4.

The commissioner must maintain driver's license examination stations so that, at a minimum, an exam station is located in each county or an adjacent county.

The base is \$37,964,000 in each of fiscal years 2024 and 2025.

(b) Vehicle Services 37,259,000 35,518,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>Special Revenue</u>	<u>29,023,000</u>	<u>27,282,000</u>
<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

The special revenue fund appropriation is from the vehicle services operating account under Minnesota Statutes, section 299A.705, subdivision 1.

(c) **Temporary Staffing** 2,400,000 -0-

This appropriation is from the vehicle services operating account in the special revenue fund for staff and operating costs to hire temporary or contract employees to process and issue drivers' licenses and Minnesota identification cards. This appropriation must not be spent for permanent state employees.

Subd. 5. **Traffic Safety** 969,000 972,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>475,000</u>	<u>478,000</u>
<u>Trunk Highway</u>	<u>494,000</u>	<u>494,000</u>

The appropriation from the general fund each year is for maintenance of the crash record system.

Subd. 6. **Pipeline Safety** 1,443,000 1,443,000

This appropriation is from the pipeline safety account in the special revenue fund.

Subd. 7. **Hazardous Substances Transportation Incident Preparedness** 3,195,000 -0-

This appropriation is from the general fund for hazardous substances transportation incident response preparedness under Minnesota Statutes, section 299A.55, subdivisions 3 and 3a.

EFFECTIVE DATE. This section is effective July 1, 2021, except that subdivision 3 is effective the day following final enactment.

Sec. 5. **TRANSFERS.**

Subdivision 1. **Transfer to driver services account.** The commissioner of public safety must transfer \$2,000,000 in fiscal year 2021 from the vehicle services operating account in the special revenue fund to the driver services operating account in the special revenue fund.

Subd. 2. **Transfer to electric vehicle infrastructure account.** The commissioner of transportation must transfer \$2,195,000 in fiscal year 2022 from the general fund to the electric vehicle infrastructure account under Minnesota Statutes, section 174.48, subdivision 3.

Subd. 3. **Transfers to general fund.** (a) The commissioner of public safety must transfer \$4,000,000 in fiscal year 2023 from the vehicle services operating account in the special revenue fund to the general fund.

(b) The commissioner of public safety must transfer \$6,000,000 in fiscal year 2024 from the vehicle services operating account in the special revenue fund to the general fund.

EFFECTIVE DATE. Subdivision 1 is effective the day following final enactment. Subdivisions 2 and 3 are effective July 1, 2021.

Sec. 6. **ADMINISTRATIVE HOLDBACK CANCELLATIONS; FISCAL YEAR 2021.**

(a) \$271,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 3, article 1, section 2, is canceled.

(b) \$220,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 3, article 1, section 4, subdivision 2, paragraph (b), is canceled.

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

Sec. 7. **APPROPRIATIONS BUDGET.**

(a) In the budget submission to the legislature under Minnesota Statutes, section 16A.11, for fiscal years 2024 and 2025, the commissioner of transportation, and the commissioner of public safety with respect to the transportation portion of the public safety budget, must present budget narratives and proposed appropriations for each appropriation established in sections 2 and 4.

(b) In the budget submission to the legislature under Minnesota Statutes, section 16A.11, for fiscal years 2024 and 2025, the Metropolitan Council must present budget narratives and the proposed appropriations for each appropriation established in section 3, and proposed appropriations, if any, for each of the following categories: metro mobility, contracted bus service, regular route bus service, light rail transit, commuter rail, transportation planning, and allocation to the regional administration.

Sec. 8. Laws 2019, First Special Session chapter 3, article 1, section 4, subdivision 3, is amended to read:

Subd. 3. **State Patrol**

(a) **Patrolling Highways** 95,252,000 96,083,000

Appropriations by Fund

	2020	2021
General	37,000	37,000
H.U.T.D.	92,000	92,000
Trunk Highway	95,123,000	95,954,000

To account for base adjustments provided in Laws 2018, chapter 211, article 21, section 2, paragraph (a), the base from the trunk highway fund for fiscal years 2022 and 2023 is \$96,784,000.

Of the appropriation from the trunk highway fund in fiscal year 2021, up to \$1,718,000 is available until December 30, 2021, for costs associated with the 2021 State Patrol Trooper Academy.

(b) Commercial Vehicle Enforcement	8,948,000	8,993,000
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To account for base adjustments provided in Laws 2018, chapter 211, article 21, section 2, paragraph (a), the base from the trunk highway fund for fiscal years 2022 and 2023 is \$9,038,000.

(c) Capitol Security	9,164,000	9,207,000
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This appropriation is from the general fund.

To account for base adjustments provided in Laws 2018, chapter 211, article 21, section 2, paragraph (a), the base from the general fund for fiscal years 2022 and 2023 is \$9,250,000.

The commissioner must not:

- (1) spend any money from the trunk highway fund for capitol security; or
- (2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

The commissioner must not transfer any money appropriated to the commissioner under this section:

- (1) to capitol security; or
- (2) from capitol security.

(d) Vehicle Crimes Unit	832,000	866,000
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This appropriation is from the highway user tax distribution fund to investigate:

- (1) registration tax and motor vehicle sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and
- (2) illegal or improper activity related to the sale, transfer, titling, and registration of motor vehicles.

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

ARTICLE 2 TRUNK HIGHWAY BONDS

Section 1. **BOND APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds account in the trunk highway fund to the state agencies or officials indicated to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise

specified, money appropriated in this article for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget.

SUMMARY

<u>Department of Transportation</u>	<u>\$400,000,000</u>
<u>Department of Management and Budget</u>	400,000
<u>TOTAL</u>	<u>\$400,400,000</u>

APPROPRIATIONS

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Corridors of Commerce \$175,000,000

(a) This appropriation is in fiscal year 2024 to the commissioner of transportation for the corridors of commerce program under Minnesota Statutes, section 161.088.

(b) The commissioner may use up to 17 percent of the amount for program delivery.

Subd. 2. State Road Construction 225,000,000

(a) This appropriation is in fiscal year 2024 to the commissioner of transportation for construction, reconstruction, and improvement of trunk highways, including design-build contracts and use of consultants to support these activities. This includes the cost of actual payment to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

(b) The commissioner may use up to 17 percent of the amount for program delivery.

Sec. 3. BOND SALE EXPENSES \$400,000

This appropriation is in fiscal year 2024 to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, sections 16A.641, subdivision 8, and 167.50, subdivision 4.

Sec. 4. BOND SALE AUTHORIZATION.

To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$400,400,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

ARTICLE 3
TRANSPORTATION-RELATED TAXES

Section 1. Minnesota Statutes 2020, section 97A.055, subdivision 2, is amended to read:

Subd. 2. **Receipts.** The commissioner of management and budget shall credit to the game and fish fund all money received under the game and fish laws and all income from state lands acquired by purchase or gift for game or fish purposes, including receipts from:

- (1) licenses and permits issued;
- (2) fines and forfeited bail;
- (3) sales of contraband, wild animals, and other property under the control of the division, except as provided in section 97A.225, subdivision 8, clause (2);
- (4) fees from advanced education courses for hunters and trappers;
- (5) reimbursements of expenditures by the division;
- (6) contributions to the division; and
- (7) revenue credited to the game and fish fund under section 297A.94, subdivision 2, paragraph (h), clause (1).

Sec. 2. Minnesota Statutes 2020, section 168.002, subdivision 10, is amended to read:

Subd. 10. **First year of life.** "First year of life" or "first year of vehicle life" means the year of model designation of the vehicle, or, if there be no year of model designation, it ~~shall mean~~ means the year of manufacture.

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

Sec. 3. Minnesota Statutes 2020, section 168.013, subdivision 1a, is amended to read:

Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in section 168.002, subdivision 24, and hearses, except as otherwise provided, the registration tax is calculated as \$10 plus:

(1) for a vehicle initially registered in Minnesota prior to November 16, 2020, 1.25 percent of the manufacturer's suggested retail price of the vehicle and the destination charge, subject to the adjustments in paragraphs (f) and (g); or

(2) for a vehicle initially registered in Minnesota on or after November 16, 2020, 1.285 percent of the manufacturer's suggested retail price of the vehicle, subject to the adjustments in paragraphs (f) and (g).

(b) The registration tax calculation must not include the cost of each accessory or item of optional equipment separately added to the vehicle and the manufacturer's suggested retail price. The registration tax calculation must not include a destination charge, except for a vehicle previously registered in Minnesota prior to November 16, 2020.

(c) In the case of the first registration of a new vehicle sold or leased by a licensed dealer, the dealer may elect to individually determine the registration tax on the vehicle using manufacturer's suggested retail price information provided by the manufacturer. The registrar must use the manufacturer's suggested retail price determined by the dealer as provided in paragraph (d). A dealer that elects to make the determination must retain a copy of the manufacturer's suggested retail price label or other supporting documentation with the vehicle transaction records maintained under Minnesota Rules, part 7400.5200.

(d) The registrar must determine the manufacturer's suggested retail price:

(1) using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry;

(2) if the list price information is unavailable, using the amount determined by a licensed dealer under paragraph (c);

(3) if a dealer does not determine the amount, using the retail price label as provided by the manufacturer under United States Code, title 15, section 1232; or

(4) if the retail price label is not available, using the actual sales price of the vehicle.

If the registrar is unable to ascertain the manufacturer's suggested retail price of any registered vehicle in the foregoing manner, the registrar may use any other available source or method.

(e) The registrar must calculate the registration tax using information available to dealers and deputy registrars at the time the initial application for registration is submitted.

(f) The amount under paragraph (a), clauses (1) and (2), must be calculated based on a percentage of the manufacturer's suggested retail price, as follows: during the first year of vehicle life, upon 100 percent of the price; for the second year, ~~90~~ 95 percent of the price; for the third year, ~~80~~ 90 percent of the price; for the fourth year, ~~70~~ 84 percent of the price; for the fifth year, ~~60~~ 68 percent of the price; for the sixth year, 50 percent of the price; for the seventh year, 40 percent of the price; for the eighth year, 30 percent of the price; for the ninth year, 20 percent of the price; and for the tenth year, ten percent of the price.

(g) For the 11th and each succeeding year, the amount under paragraph (a), clauses (1) and (2), must be calculated as \$25.

(h) Except as provided in subdivision 23, for any vehicle previously registered in Minnesota and regardless of prior ownership, the total amount due under this subdivision and subdivision 1m must not exceed the smallest total amount previously paid or due on the vehicle.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to taxes payable for a registration period starting on or after October 1, 2021.

Sec. 4. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of \$75 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision must be deposited:

(1) the lesser of 50 percent or \$1,000,000, in the electric vehicle infrastructure account under section 174.48; and

(2) the remainder in the highway user tax distribution fund.

Sec. 5. Minnesota Statutes 2020, section 296A.07, subdivision 3, is amended to read:

Subd. 3. **Rate of tax.** (a) The gasoline excise tax is imposed at the following rates:

(1) E85 is taxed at the rate of 17.75 cents per gallon;

(2) M85 is taxed at the rate of 14.25 cents per gallon; and

(3) all other gasoline is taxed at the rate of 25 cents per gallon.

(b) On or before September 1 annually, the commissioner must determine the tax rate applicable to the sale of E85, M85, and all other gasoline subject to tax under this section for the upcoming 12-month period, beginning October 1, by adding to the current fiscal year tax rate the percentage increase, if any, in the National Highway Construction Cost Index for the previous calendar year. The tax rate must be rounded to the nearest tenth of a cent. The tax rates for E85, M85, and all other gasoline must not be lower than the respective rates specified in paragraph (a).

(c) For purposes of this subdivision, the National Highway Construction Cost Index is as determined by the United States Department of Transportation.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies for taxes imposed on or after October 1, 2021.

Sec. 6. Minnesota Statutes 2020, section 296A.08, subdivision 2, is amended to read:

Subd. 2. **Rate of tax.** (a) The special fuel excise tax is imposed at the following rates:

~~(a) (1) liquefied petroleum gas or propane is taxed at the rate of 18.75 cents per gallon;~~

~~(b) (2) liquefied natural gas is taxed at the rate of 15 cents per gallon;~~

~~(c) (3) compressed natural gas is taxed at the rate of \$1.974 per thousand cubic feet; or 25 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas or 126.67 cubic feet; and~~

~~(d) (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 296A.07, subdivision 2.~~

(b) On or before September 1 annually, the commissioner must determine the tax rate applicable to the sale of special fuels subject to tax under this section for the upcoming 12-month period, beginning October 1, by adding to the current fiscal year tax rate the percentage increase, if any, calculated under section 296A.07, subdivision 3, paragraph (b). The tax rate must be rounded to the nearest tenth of a cent. The tax rates for liquefied natural gas or propane, liquefied natural gas, compressed natural gas, and all other special fuel must not be lower than the respective rates specified in paragraph (a).

(c) The tax is payable in the form and manner prescribed by the commissioner.

(d) For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas or 126.67 cubic feet.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies for taxes imposed on or after October 1, 2021.

Sec. 7. Minnesota Statutes 2020, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

Subdivision 1. **Definitions.** (a) For purposes of this section, "motor vehicle repair and replacement parts" includes: (1) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle maintenance and repair; and (2) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle maintenance or repair.

(b) For purposes of paragraph (a), "motor vehicle" has the meaning given in section 297B.01, subdivision 11; and "tire" means any tire of the type used on highway vehicles, if wholly or partially made of rubber and if marked according to federal regulations for highway use.

Subd. 2. Deposits. (a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of management and budget shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit in the state treasury the revenues collected under section 297A.64, subdivision 1, including interest and penalties and minus refunds, and credit them to the highway user tax distribution fund.

(e) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit of revenues under paragraph (d), the commissioner shall deposit into the state treasury and credit to the highway user tax distribution fund an amount equal to the estimated revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The commissioner shall estimate the amount of sales tax revenue deposited under this paragraph based on the amount of revenue deposited under paragraph (d).

(g) ~~Starting after July 1, 2017,~~ The commissioner shall deposit ~~an amount of the remittances~~ monthly into the state treasury ~~and credit them to the highway user tax distribution fund as a portion of an amount related to the estimated amount of taxes collected from the sale and purchase of motor vehicle repair and replacement parts in that month.~~ For the remittances Between July 1, 2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. ~~For remittances~~ In each subsequent fiscal year, the monthly deposit amount is \$12,137,000, which must be credited:

- (1) 74 percent to the highway user tax distribution fund;
- (2) 13.5 percent to the small cities assistance account under section 162.145, subdivision 2;
- (3) 7.5 percent to the town road account in the county state-aid highway fund under section 162.081; and
- (4) 5 percent to the greater Minnesota transit account in the transit assistance fund under section 16A.88.

~~For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially made of rubber and if marked according to federal regulations for highway use.~~

(h) 72.43 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo.

(i) The revenue dedicated under paragraph (h) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (h) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (h) must be allocated for field operations.

(j) The commissioner must deposit the revenues, including interest and penalties minus any refunds, derived from the sale of items regulated under section 624.20, subdivision 1, that may be sold to persons 18 years old or older and that are not prohibited from use by the general public under section 624.21, in the state treasury and credit:

- (1) 25 percent to the volunteer fire assistance grant account established under section 88.068;
- (2) 25 percent to the fire safety account established under section 297I.06, subdivision 3; and
- (3) the remainder to the general fund.

For purposes of this paragraph, the percentage of total sales and use tax revenue derived from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be sold to persons 18 years old or older and are not prohibited from use by the general public under section 624.21, is a set percentage of the total sales and use tax revenues collected in the state, with the percentage determined under Laws 2017, First Special Session chapter 1, article 3, section 39.

Subd. 3. Application. ~~(k)~~ The revenues deposited under ~~paragraphs (a) to (j)~~ this section do not include the revenues, including interest and penalties, generated by the sales tax imposed under section 297A.62, subdivision 1a, which must be deposited as provided under the Minnesota Constitution, article XI, section 15.

Sec. 8. Minnesota Statutes 2020, section 297A.99, subdivision 1, is amended to read:

Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may impose a general sales tax (1) under section 297A.992, (2) under section 297A.9925, (3) under section 297A.993, ~~(3) (4)~~ if permitted by special law, or ~~(4) (5)~~ if the political subdivision enacted and imposed the tax before January 1, 1982, and its predecessor provision.

(b) This section governs the imposition of a general sales tax by the political subdivision. The provisions of this section preempt the provisions of any special law:

(1) enacted before June 2, 1997, or

(2) enacted on or after June 2, 1997, that does not explicitly exempt the special law provision from this section's rules by reference.

(c) This section does not apply to or preempt a sales tax on motor vehicles. Beginning July 1, 2019, no political subdivision may impose a special excise tax on motor vehicles unless it is imposed under section 297A.993.

(d) A political subdivision may not advertise or expend funds for the promotion of a referendum to support imposing a local sales tax and may only spend funds related to imposing a local sales tax to:

(1) conduct the referendum;

(2) disseminate information included in the resolution adopted under subdivision 2, but only if the disseminated information includes a list of specific projects and the cost of each individual project;

(3) provide notice of, and conduct public forums at which proponents and opponents on the merits of the referendum are given equal time to express their opinions on the merits of the referendum;

(4) provide facts and data on the impact of the proposed local sales tax on consumer purchases; and

(5) provide facts and data related to the individual programs and projects to be funded with the local sales tax.

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

Sec. 9. **[297A.9925] TRANSIT SALES AND USE TAX.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

(c) "Metropolitan Council" or "council" means the Metropolitan Council established under section 473.123.

(d) "Transit sales tax" means the sales and use tax imposed under this section.

(e) "Transit taxing district" means the transit taxing district as determined under sections 473.446, subdivision 2, and 473.4461.

Subd. 2. Sales and use tax imposition; rate. (a) Notwithstanding sections 297A.99, subdivisions 2 and 3, and 477A.016, or any other law to the contrary, the Metropolitan Council must impose a transit sales and use tax at a rate of one-half of one percent on retail sales and uses taxable under this chapter occurring within the transit taxing district.

(b) The tax imposed under this section is not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, and Laws 2012, chapter 299, article 3, section 3, or in determining a tax that may be imposed under any other limitations.

Subd. 3. Tax administration; collection; enforcement. Except as otherwise provided in this section, the provisions of section 297A.99, subdivisions 4 and 6 to 12a, govern the administration, collection, and enforcement of the tax imposed under this section.

Subd. 4. Use of funds. (a) The council may use the transit sales tax proceeds for transit system operations, maintenance, development, and improvements, including but not limited to expansion of arterial bus rapid transit.

(b) Transit operations and projects funded with transit sales tax proceeds must be consistent with the long-range transportation policy plan under section 473.146 and the transit capital improvement program under section 473.39.

Subd. 5. Administrative requirements. (a) The council must establish policies that govern allocation of a portion of transit sales tax revenue to replacement service providers.

(b) The council must maintain an overview of the transit sales tax on a website, including information that identifies annual transit sales tax revenue, details on uses of funds, and the policies under paragraph (a).

Subd. 6. Revenue bonds. (a) Notwithstanding section 473.39, subdivision 7, or any other law to the contrary, the council may, by resolution, authorize the sale and issuance of revenue bonds, notes, or other obligations to provide funds (1) for the purposes specified in subdivision 4, and (2) to refund bonds issued under this subdivision.

(b) The bonds are payable from and secured by a pledge of the revenues received under this section, and associated investment earnings on debt proceeds. The council may, by resolution, authorize the issuance of the bonds as general obligations of the council. The bonds must be sold, issued, and secured in the manner provided in chapter 475, and the council has the same powers and duties as a municipality and its governing body in issuing bonds under chapter 475, except that no election is required and the net debt limitations in chapter 475 do not apply to such bonds. The proceeds of the bonds may also be used to fund necessary reserves and to pay credit enhancement fees, issuance costs, and other financing costs during the life of the debt.

(c) The bonds may be secured by a bond resolution, or a trust indenture entered into by the council with a corporate trustee within or outside the state, which must define the revenues and bond proceeds pledged for the payment and security of the bonds. The pledge must be a valid charge on the revenues received under section 297A.99, subdivision 11. Neither the state, nor any municipality or political subdivision except the council, nor any member or officer or employee of the council, is liable on the obligations. No mortgage or security interest in any tangible real or personal property is granted to the bondholders or the trustee, but they shall have a valid security interest in the revenues and bond proceeds received by the council and pledged to the payment of the bonds. In the bond resolution or trust indenture, the council may make such covenants as it determines to be reasonable for the protection of the bondholders.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment for sales and purchases made on or after January 1, 2022, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 10. Minnesota Statutes 2020, section 297B.02, subdivision 1, is amended to read:

Subdivision 1. **Rate.** There is imposed an excise tax of ~~6.5~~ 6.875 percent on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

The excise tax is also imposed on the purchase price of motor vehicles purchased or acquired on Indian reservations when the tribal council has entered into a sales tax on motor vehicles refund agreement with the state of Minnesota.

EFFECTIVE DATE. This section is effective for sales and purchases on or after January 1, 2022.

Sec. 11. **GENERAL SALES TAX REALLOCATION PHASE-IN.**

Notwithstanding Minnesota Statutes, section 297A.94, subdivision 2, paragraph (g), the monthly deposit under that paragraph is as follows:

(1) from July 1, 2021, to June 30, 2022:

(i) 91 percent to the highway user tax distribution fund;

(ii) 6.5 percent to the small cities assistance account under Minnesota Statutes, section 162.145, subdivision 2;

(iii) 2 percent to the town road account in the county state-aid highway fund under Minnesota Statutes, section 162.081; and

(iv) 0.5 percent to the greater Minnesota transit account in the transit assistance fund under Minnesota Statutes, section 16A.88; and

(2) from July 1, 2022, to June 30, 2023:

(i) 80.5 percent to the highway user tax distribution fund;

(ii) 13.5 percent to the small cities assistance account;

(iii) 5.5 percent to the town road account; and

(iv) 0.5 percent to the greater Minnesota transit account.

ARTICLE 4 DRIVERS' LICENSES AND IDENTIFICATION CARDS

Section 1. Minnesota Statutes 2020, section 13.6905, is amended by adding a subdivision to read:

Subd. 36. Noncompliant license or identification card; lawful status. Data on certain noncompliant drivers' licenses or identification cards are governed by section 171.12, subdivision 11.

Sec. 2. Minnesota Statutes 2020, section 171.04, subdivision 5, is amended to read:

Subd. 5. **Temporary lawful admission.** The commissioner is prohibited from issuing a driver's license or Minnesota identification card to an applicant ~~whose~~ having a lawful temporary admission period, as demonstrated under section 171.06, subdivision 3, paragraph (b), clause (2), that expires within 30 days of the date of the application.

Sec. 3. Minnesota Statutes 2020, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant ~~certifies that the applicant~~ is not eligible for a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7; and

(5) include a method for the applicant to:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under paragraph (d);

(iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c; and

(iv) indicate emergency contacts as provided under section 171.12, subdivision 5b.

(b) Applications must be accompanied by satisfactory evidence demonstrating:

(1) identity, date of birth, and any legal name change if applicable; and

(2) for driver's licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:

(i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;

(ii) Social Security number, or related documentation as applicable; and

(iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

(c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:

- (1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and
- (2) a photographic identity document.

Sec. 4. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 7. **Noncompliant license or identification card; lawful status.** (a) A person is not required to demonstrate United States citizenship or lawful presence in the United States in order to obtain a noncompliant driver's license or identification card.

(b) Minnesota Rules, part 7410.0410, or any successor rule, does not apply for a noncompliant driver's license or identification card.

Sec. 5. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 8. **Noncompliant license or identification card; general requirements.** (a) A document submitted under this subdivision or subdivision 9 or 10 must include the applicant's name and must be:

(1) issued to or provided for the applicant;

(2) legible and unaltered;

(3) an original or a copy certified by the issuing agency; and

(4) accompanied by a certified translation or an affidavit of translation into English, if the document is not in English.

(b) If the applicant's current legal name is different from the name on a document submitted under subdivision 9 or 10, the applicant must submit:

(1) a certified copy of a court order that specifies the applicant's name change;

(2) a certified copy of the applicant's certificate of marriage;

(3) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court; or

(4) similar documentation of a lawful change of name, as determined by the commissioner.

(c) The commissioner must establish a process to grant a waiver from the requirements under this subdivision and subdivisions 9 and 10.

(d) The same document must not be submitted as both a primary document under subdivision 9 and a secondary document under subdivision 10.

Sec. 6. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 9. **Noncompliant license or identification card; primary documents.** (a) For a noncompliant driver's license or identification card, primary documents under Minnesota Rules, part 7410.0400, subpart 2, or successor rules, include the following:

(1) a noncompliant driver's license or identification card that is current or has been expired for five years or less;

(2) an unexpired foreign passport or a foreign consular identification document that bears a photograph of the applicant; and

(3) a certified birth certificate issued by a foreign jurisdiction.

(b) A document submitted under this subdivision must contain security features that make the document as impervious to alteration as is reasonably practicable in its design and quality of material and technology.

(c) For purposes of this subdivision and subdivision 10, "foreign" means a jurisdiction that is not, and is not within, the United States, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, or a territory of the United States.

(d) Submission of more than one primary document is not required under this subdivision.

Sec. 7. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 10. Noncompliant license or identification card; secondary documents. (a) For a noncompliant driver's license or identification card, secondary documents under Minnesota Rules, part 7410.0400, subpart 3, or successor rules, include the following:

(1) a second document listed under subdivision 9, paragraph (a);

(2) a notice of action on or proof of submission of a completed Application for Asylum and for Withholding of Removal issued by the United States Department of Homeland Security, Form I-589;

(3) a Certificate of Eligibility for Nonimmigrant Student Status issued by the United States Department of Homeland Security, Form I-20;

(4) a Certificate of Eligibility for Exchange Visitor Status issued by the United States Department of State, Form DS-2019;

(5) a Deferred Action for Childhood Arrival approval notice issued by the United States Department of Homeland Security;

(6) an employment authorization document issued by the United States Department of Homeland Security, Form I-688, Form I-688A, Form I-688B, or Form I-766;

(7) a document issued by the Social Security Administration with an individual taxpayer identification number;

(8) mortgage documents for the applicant's residence;

(9) a filed property deed or title for the applicant's residence;

(10) a United States high school student identification card with a certified transcript from the school;

(11) a Minnesota college or university identification card with a certified transcript from the college or university;

(12) a Social Security card;

- (13) a Minnesota unemployment insurance benefit statement issued no more than 90 days before the application;
 - (14) a valid identification card for health benefits or an assistance or social services program;
 - (15) a Minnesota vehicle certificate of title issued no more than 12 months before the application;
 - (16) an unexpired Selective Service card;
 - (17) military orders that are still in effect at the time of application;
 - (18) a certified copy of the applicant's certificate of marriage;
 - (19) a certified copy of a court order that specifies the applicant's name change;
 - (20) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court;
 - (21) any of the following documents issued by a foreign jurisdiction:
 - (i) a driver's license that is current or has been expired for five years or less;
 - (ii) a high school, college, or university student identification card with a certified transcript from the school;
 - (iii) an official high school, college, or university transcript that includes the applicant's date of birth and a photograph of the applicant at the age the record was issued; and
 - (iv) a federal electoral photographic card issued on or after January 1, 1991; and
 - (22) additional documents as determined by the commissioner.
- (b) Submission of more than one secondary document is not required under this subdivision.

Sec. 8. Minnesota Statutes 2020, section 171.07, subdivision 1, is amended to read:

Subdivision 1. **License; contents and design.** (a) Upon the payment of the required fee, the department shall issue to every qualifying applicant a license designating the type or class of vehicles the applicant is authorized to drive as applied for. This license must bear: (1) a distinguishing number assigned to the licensee; (2) the licensee's full name and date of birth; (3) either (i) the licensee's residence address, or (ii) the designated address under section 5B.05; (4) a description of the licensee in a manner as the commissioner deems necessary; (5) the usual signature of the licensee; and (6) designations and markings as provided in this section. No license is valid unless it bears the usual signature of the licensee. Every license must bear a colored photograph or an electronically produced image of the licensee.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the license, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Every license issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) A license issued to an applicant age 65 or over must be plainly marked "senior" if requested by the applicant.

(e) Except for a noncompliant license, a license must bear a distinguishing indicator for compliance with requirements of the REAL ID Act.

(f) A noncompliant license must:

(1) be marked "not for federal identification" on the face and in the machine-readable portion; and

(2) have a unique design or color indicator for purposes of the REAL ID Act.

(g) A license must be marked "not for federal purposes or voting" on the front side in a manner commensurate with other text, if it is issued under any of the following circumstances:

(1) the application is for first-time issuance of a license in Minnesota, and the applicant has not demonstrated United States citizenship;

(2) the applicant's most recently issued license or Minnesota identification card is marked as required under this paragraph or subdivision 3, paragraph (g), and the applicant has not demonstrated United States citizenship; or

(3) the applicant submits a document that identifies a temporary lawful status or admission period.

(h) A REAL ID compliant license issued to a person with temporary lawful status or admission period must be marked "temporary" on the face and in the machine-readable portion.

~~(h)~~ (i) A license must display the licensee's full name or no fewer than 39 characters of the name. Any necessary truncation must begin with the last character of the middle name and proceed through the second letter of the middle name, followed by the last character of the first name and proceeding through the second letter of the first name.

Sec. 9. Minnesota Statutes 2020, section 171.07, subdivision 3, is amended to read:

Subd. 3. **Identification card; content and design; fee.** (a) Upon payment of the required fee, the department shall issue to every qualifying applicant a Minnesota identification card. The department may not issue a Minnesota identification card to an individual who has a driver's license, other than a limited license. The department may not issue an enhanced identification card to an individual who is under 16 years of age, not a resident of this state, or not a citizen of the United States of America. The card must bear: (1) a distinguishing number assigned to the applicant; (2) a colored photograph or an electronically produced image of the applicant; (3) the applicant's full name and date of birth; (4) either (i) the licensee's residence address, or (ii) the designated address under section 5B.05; (5) a description of the applicant in the manner as the commissioner deems necessary; (6) the usual signature of the applicant; and (7) designations and markings provided under this section.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the Minnesota identification card, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Each identification card issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) Each Minnesota identification card must be plainly marked "Minnesota identification card - not a driver's license."

(e) Except for a noncompliant identification card, a Minnesota identification card must bear a distinguishing indicator for compliance with requirements of the REAL ID Act.

(f) A noncompliant identification card must:

(1) be marked "not for federal identification" on the face and in the machine-readable portion; and

(2) have a unique design or color indicator for purposes of the REAL ID Act.

(g) A Minnesota identification card must be marked "not for federal purposes or voting" on the front side in a manner commensurate with other text, if it is issued under any of the following circumstances:

(1) the application is for first-time issuance of a Minnesota identification card, and the applicant has not demonstrated United States citizenship;

(2) the applicant's most recently issued noncompliant license or identification card is marked as required under this paragraph or subdivision 1, paragraph (g), and the applicant has not demonstrated United States citizenship; or

(3) the applicant submits a document that identifies a temporary lawful status or admission period.

(h) A ~~Minnesota~~ REAL ID compliant identification card issued to a person with temporary lawful status or admission period must be marked "temporary" on the face and in the machine-readable portion.

~~(i)~~ (i) A Minnesota identification card must display the cardholder's full name or no fewer than 39 characters of the name. Any necessary truncation must begin with the last character of the middle name and proceed through the second letter of the middle name, followed by the last character of the first name and proceeding through the second letter of the first name.

~~(j)~~ (j) The fee for a Minnesota identification card is 50 cents when issued to a person who is developmentally disabled, as defined in section 252A.02, subdivision 2; a physically disabled person, as defined in section 169.345, subdivision 2; or, a person with mental illness, as described in section 245.462, subdivision 20, paragraph (c).

Sec. 10. Minnesota Statutes 2020, section 171.12, subdivision 7a, is amended to read:

Subd. 7a. **Disclosure of personal information.** (a) The commissioner shall disclose personal information where the use is related to the operation of a motor vehicle or to public safety. The use of personal information is related to public safety if it concerns the physical safety or security of drivers, vehicles, pedestrians, or property. The commissioner may refuse to disclose data under this subdivision when the commissioner concludes that the requester is likely to use the data for illegal, improper, or noninvestigative purposes. Nothing in this paragraph authorizes disclosure of data restricted under subdivision 11.

(b) The commissioner shall disclose personal information to the secretary of state for the purpose of increasing voter registration and improving the accuracy of voter registration records in the statewide voter registration system. The secretary of state may not retain data provided by the commissioner under this subdivision for more than 60 days.

Sec. 11. Minnesota Statutes 2020, section 171.12, subdivision 9, is amended to read:

Subd. 9. **Driving record disclosure to law enforcement.** Except as restricted under subdivision 11, the commissioner shall also furnish driving records, without charge, to chiefs of police, county sheriffs, prosecuting attorneys, and other law enforcement agencies with the power to arrest.

Sec. 12. Minnesota Statutes 2020, section 171.12, is amended by adding a subdivision to read:

Subd. 11. Certain data on noncompliant license or identification card; department and agents. (a) The commissioner must not share or disseminate outside of the division of the department administering driver licensing any data on individuals indicating or otherwise having the effect of identifying that the individual applied for, was denied, or was issued a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States.

(b) A driver's license agent must not share or disseminate, other than to the division of the department administering driver licensing, any data on individuals indicating or otherwise having the effect of identifying that the individual applied for, was denied, or was issued a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States.

(c) Data under paragraphs (a) and (b) include but are not limited to information related to documents submitted under section 171.06, subdivision 8, 9, or 10.

(d) Notwithstanding any law to the contrary, this subdivision prohibits the commissioner and a driver's license agent from sharing or disseminating the data described in paragraphs (a) to (c) with any entity otherwise authorized to obtain data under subdivision 7; any political subdivision; any state agency as defined in section 13.02, subdivision 17; or any federal entity.

Sec. 13. **REPEALER.**

Minnesota Statutes 2020, section 171.015, subdivision 7, is repealed.

Sec. 14. **EFFECTIVE DATE.**

Unless provided otherwise, this article is effective October 1, 2021, for driver's license and Minnesota identification card applications and issuance on or after that date.

ARTICLE 5 ACTIVE TRANSPORTATION

Section 1. Minnesota Statutes 2020, section 84.787, subdivision 7, is amended to read:

Subd. 7. **Off-highway motorcycle.** (a) "Off-highway motorcycle" means a motorized, off-highway vehicle traveling on two wheels and having a seat or saddle designed to be straddled by the operator and handlebars for steering control, including a vehicle that is registered under chapter 168 for highway use if it is also used for off-highway operation on trails or unimproved terrain.

(b) Off-highway motorcycle does not include an electric-assisted bicycle as defined in section 169.011, subdivision 27.

Sec. 2. Minnesota Statutes 2020, section 84.797, subdivision 7, is amended to read:

Subd. 7. **Off-road vehicle.** (a) "Off-road vehicle" or "vehicle" means a motor-driven recreational vehicle capable of cross-country travel on natural terrain without benefit of a road or trail.

(b) Off-road vehicle does not include a snowmobile; an all-terrain vehicle; a motorcycle; an electric-assisted bicycle as defined in section 169.011, subdivision 27; a watercraft; a farm vehicle being used for farming; a vehicle used for military, fire, emergency, or law enforcement purposes; a construction or logging vehicle used in the performance of its common function; a motor vehicle owned by or operated under contract with a utility, whether publicly or privately owned, when used for work on utilities; a commercial vehicle being used for its intended purpose; snow-grooming equipment when used for its intended purpose; or an aircraft.

Sec. 3. Minnesota Statutes 2020, section 84.92, subdivision 8, is amended to read:

Subd. 8. **All-terrain vehicle or vehicle.** (a) "All-terrain vehicle" or "vehicle" means a motorized vehicle with: (1) not less than three, but not more than six low pressure or non-pneumatic tires; (2) a total dry weight of 2,000 pounds or less; and (3) a total width from outside of tire rim to outside of tire rim that is 65 inches or less. All-terrain vehicle includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

(b) All-terrain vehicle does not include a an electric-assisted bicycle as defined in section 169.011, subdivision 27, golf cart, mini-truck, dune buggy, or go-cart or a vehicle designed and used specifically for lawn maintenance, agriculture, logging, or mining purposes.

Sec. 4. Minnesota Statutes 2020, section 160.02, subdivision 1a, is amended to read:

Subd. 1a. **Bikeway.** "Bikeway" means a bicycle lane, bicycle path, shared use path, bicycle route, or similar bicycle facility, regardless of whether designed for the exclusive use of bicycles or for shared use with other transportation modes has the meaning given in section 169.011, subdivision 9.

Sec. 5. Minnesota Statutes 2020, section 160.262, subdivision 3, is amended to read:

Subd. 3. **Cooperation among agencies and governments.** (a) The departments and agencies on the active transportation advisory committee identified in section 174.375 must provide information and advice for the bikeway design guidelines maintained by the commissioner.

(b) The commissioner must provide technical assistance to local units of government in:

(1) local planning and development of bikeways;

(2) establishing connections to state bicycle routes; and

(3) implementing statewide bicycle plans maintained by the commissioner.

(c) The commissioner may cooperate with and enter into agreements with the United States government, any department of the state of Minnesota, any unit of local government, any tribal government, or any public or private corporation in order to effect the purposes of this section.

Sec. 6. Minnesota Statutes 2020, section 160.266, subdivision 1b, is amended to read:

Subd. 1b. **State bicycle routes.** The commissioner of transportation must identify state bicycle routes primarily on existing road right-of-way and trails. State bicycle routes must be identified in cooperation with road and trail authorities, including the commissioner of natural resources, and with the advice of the active transportation advisory committee under section 174.375. In a metropolitan area, state bicycle routes must be identified in coordination with the plans and priorities established by metropolitan planning organizations, as defined in United States Code, title 23, section 134.

Sec. 7. Minnesota Statutes 2020, section 160.266, subdivision 6, is amended to read:

Subd. 6. **Mississippi River Trail.** The Mississippi River Trail bikeway is designated as a state bicycle route. It must originate at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallel the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha in Wabasha County, Winona in Winona County, and La Crescent in Houston County to Minnesota's boundary with Iowa and there terminate. Where opportunities exist, the bikeway may be designated on both sides of the Mississippi River.

Sec. 8. Minnesota Statutes 2020, section 160.266, is amended by adding a subdivision to read:

Subd. 7. **Jim Oberstar Bikeway.** The Jim Oberstar Bikeway is designated as a state bicycle route. It must originate in the city of St. Paul in Ramsey County, then proceed north and east to Duluth in St. Louis County, then proceed north and east along the shore of Lake Superior through Grand Marais in Cook County to Minnesota's boundary with Canada, and there terminate.

Sec. 9. Minnesota Statutes 2020, section 168.002, subdivision 18, is amended to read:

Subd. 18. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle designed and originally manufactured to operate primarily on highways, and not operated exclusively upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys that are propelled by electric power obtained from overhead trolley wires but not operated upon rails. ~~It does not include snowmobiles, manufactured homes, or park trailers.~~

(b) "Motor vehicle" includes an all-terrain vehicle only if the all-terrain vehicle (1) has at least four wheels, (2) is owned and operated by a physically disabled person, and (3) displays both disability plates and a physically disabled certificate issued under section 169.345.

(c) "Motor vehicle" does not include an all-terrain vehicle except (1) an all-terrain vehicle described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before August 1, 1985. The owner may continue to license an all-terrain vehicle described in clause (2) as a motor vehicle until it is conveyed or otherwise transferred to another owner, is destroyed, or fails to comply with the registration and licensing requirements of this chapter.

(d) "Motor vehicle" does not include a snowmobile; a manufactured home; a park trailer; an electric personal assistive mobility device as defined in section 169.011, subdivision 26;

~~(e) "Motor vehicle" does not include a motorized foot scooter as defined in section 169.011, subdivision 46; or an electric-assisted bicycle as defined in section 169.011, subdivision 27.~~

~~(f) (e)~~ "Motor vehicle" includes an off-highway motorcycle modified to meet the requirements of chapter 169 according to section 84.788, subdivision 12.

Sec. 10. **[168.1287] PEDAL MINNESOTA PLATES.**

Subdivision 1. **Issuance.** The commissioner must issue Pedal Minnesota special plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;

(2) pays an additional fee in the amount specified under section 168.12, subdivision 5, for each set of plates;

(3) pays the registration tax as required under section 168.013, along with any other fees required by this chapter;

(4) contributes a minimum of \$20 annually to the active transportation account; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. **Design.** In consultation with interested groups, the commissioner must adopt a suitable plate design that includes the inscription "Pedal Minnesota."

Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer fee of \$5, special plates under this section may be transferred to another qualified motor vehicle that is registered to the same individual to whom the special plates were originally issued.

Subd. 4. **Exemption.** Special plates issued under this section are not subject to section 168.1293, subdivision 2.

Subd. 5. **Contribution; appropriation.** (a) The application for a special plate under this section must indicate that the contribution specified under subdivision 1, clause (4), is a minimum annual contribution to receive the plates and that the applicant may make additional contributions.

(b) Funds from the contribution under subdivision 1, clause (4), must be deposited in the active transportation account in section 174.38, subdivision 3.

(c) The amount necessary for costs of administering the special plate is annually appropriated from the active transportation account to the commissioner.

EFFECTIVE DATE. This section is effective January 1, 2022, for Pedal Minnesota special plates issued on or after that date.

Sec. 11. Minnesota Statutes 2020, section 169.011, subdivision 5, is amended to read:

Subd. 5. **Bicycle lane.** "Bicycle lane" means a portion of a roadway ~~or shoulder~~ designed for exclusive or preferential use by persons using bicycles. Bicycle lanes are to be distinguished from the portion of the roadway ~~or shoulder~~ used for motor vehicle traffic by physical barrier, striping, marking, or other similar device.

Sec. 12. Minnesota Statutes 2020, section 169.011, subdivision 9, is amended to read:

Subd. 9. **Bikeway.** "Bikeway" means a bicycle lane, bicycle path, ~~or bicycle route,~~ shared use path, or similar bicycle facility, regardless of whether it is designed for the exclusive use of bicycles or ~~is to be~~ for shared use with other transportation modes.

Sec. 13. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision to read:

Subd. 15a. **Class 1 electric-assisted bicycle.** "Class 1 electric-assisted bicycle" means an electric-assisted bicycle equipped with an electric motor that provides assistance only when the rider is pedaling and ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour.

Sec. 14. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision to read:

Subd. 15b. **Class 2 electric-assisted bicycle.** "Class 2 electric-assisted bicycle" means an electric-assisted bicycle equipped with an electric motor that is capable of propelling the bicycle without the rider pedaling and ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour.

Sec. 15. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision to read:

Subd. 15c. **Class 3 electric-assisted bicycle.** "Class 3 electric-assisted bicycle" means an electric-assisted bicycle equipped with an electric motor that provides assistance only when the rider is pedaling and ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour.

Sec. 16. Minnesota Statutes 2020, section 169.011, subdivision 27, is amended to read:

Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a bicycle with two or three wheels that:

(1) has a saddle and fully operable pedals for human propulsion;

(2) meets the requirements:

~~(i) of federal motor vehicle safety standards for a motor driven cycle in Code of Federal Regulations, title 49, sections 571.1 et seq.; or~~

~~(ii) for bicycles under Code of Federal Regulations, title 16, part 1512, or successor requirements; and~~

~~(3) has is equipped with an electric motor that (i) has a power output of not more than 1,000 750 watts, (ii) is incapable of propelling the vehicle at a speed of more than 20 miles per hour, (iii) is incapable of further increasing the speed of the device when human power alone is used to propel the vehicle at a speed of more than 20 miles per hour, and (iv) disengages or ceases to function when the vehicle's brakes are applied; and~~

(4) meets the requirements of a class 1, class 2, or class 3 electric-assisted bicycle.

Sec. 17. Minnesota Statutes 2020, section 169.011, subdivision 42, is amended to read:

Subd. 42. **Motor vehicle.** (a) "Motor vehicle" means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires.

(b) Motor vehicle does not include an electric-assisted bicycle; an electric personal assistive mobility device; or a vehicle moved solely by human power.

Sec. 18. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision to read:

Subd. 46b. **Narrow-width lane.** "Narrow-width lane" means a traffic lane that is too narrow to allow persons operating a bicycle and persons operating a motor vehicle within the same lane to operate side-by-side in compliance with the minimum safe passing clearance set forth in section 169.18.

Sec. 19. Minnesota Statutes 2020, section 169.18, subdivision 3, is amended to read:

Subd. 3. **Passing.** ~~The following rules shall govern the overtaking and passing of vehicles proceeding in the same direction, subject to the limitations, exceptions, and special rules hereinafter stated:~~

(1) (a) The driver of a vehicle overtaking another vehicle proceeding in the same direction ~~shall~~ must pass to the left ~~thereof of the other vehicle~~ at a safe distance and ~~shall not again drive~~ is prohibited from returning to the right side of the roadway until safely clear of the overtaken vehicle;

(2) (b) Except when overtaking and passing on the right is permitted, the driver of an overtaken vehicle ~~shall~~ must give way to the right in favor of the overtaking vehicle ~~on audible warning~~, and ~~shall~~ must not increase the speed ~~of the overtaken vehicle~~ until completely passed by the overtaking vehicle; ~~and~~.

(3) (c) The operator of a motor vehicle overtaking a bicycle or individual proceeding in the same direction on the roadway ~~shall leave~~ or shoulder must:

(1) either:

(i) maintain a safe clearance distance while passing, but in no case less than which must be at least the greater of three feet clearance, when passing the bicycle or individual or one-half the width of the motor vehicle; or

(ii) completely enter another lane of the roadway while passing; and shall

(2) maintain clearance until the motor vehicle has safely past passed the overtaken bicycle or individual.

Sec. 20. Minnesota Statutes 2020, section 169.222, subdivision 1, is amended to read:

Subdivision 1. **Traffic laws apply.** (a) Every person operating a bicycle ~~shall have~~ has all of the rights and duties applicable to the driver of any other vehicle by this chapter, except in respect to those provisions in this chapter relating expressly to bicycles and in respect to those provisions of this chapter which by their nature cannot reasonably be applied to bicycles. This subdivision applies to a bicycle operating on the shoulder of a roadway.

(b) A person lawfully operating a bicycle (1) on a sidewalk, or (2) across a roadway or shoulder while using a crosswalk, has all the rights and duties applicable to a pedestrian under the same circumstances.

Sec. 21. Minnesota Statutes 2020, section 169.222, subdivision 4, is amended to read:

Subd. 4. **Riding rules.** (a) Every person operating a bicycle ~~upon a roadway shall~~ on a road must ride as close as ~~practicable~~ to the right-hand curb or edge of the ~~roadway except under any of the following situations~~ road as the bicycle operator determines is safe. A person operating a bicycle is not required to ride as close to the right-hand curb or edge when:

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

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

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

(4) ~~when~~ operating on the shoulder of a roadway or in a bicycle lane-; or

(5) operating in a right-hand turn lane before entering an intersection.

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

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

(d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, ~~shall~~ must yield the right-of-way to any pedestrian and ~~shall~~ give an audible signal when necessary before overtaking and passing any pedestrian. ~~No~~ A person ~~shall~~ must not ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

(e) An individual operating a bicycle or other vehicle on a bikeway ~~shall~~ must (1) give an audible signal a safe distance prior to overtaking a bicycle or individual, (2) leave a safe clearance distance when overtaking a bicycle or individual proceeding in the same direction ~~on the bikeway,~~ and ~~shall~~ (3) maintain clearance until safely past the overtaken bicycle or individual.

~~(f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances. Notwithstanding section 169.06, subdivision 4, a bicycle operator may cross an intersection proceeding from the leftmost one-third of a dedicated right-hand turn lane without turning right.~~

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

Sec. 22. Minnesota Statutes 2020, section 169.222, subdivision 6a, is amended to read:

Subd. 6a. ~~Operator age~~ **Electric-assisted bicycle; riding rules.** (a) A person may operate an electric-assisted bicycle in the same manner as provided for operation of other bicycles, including but not limited to operation on the shoulder of a roadway, a bicycle lane, and a bicycle route, and operation without the motor engaged on a bikeway or bicycle trail.

(b) A person may operate a class 1 or class 2 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared use path unless prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as applicable.

(c) A person may operate a class 3 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared use path unless the local authority or state agency having jurisdiction over the bicycle path or trail prohibits the operation.

(d) The local authority or state agency having jurisdiction over a trail that is designated as nonmotorized, and that has a natural surface tread made by clearing and grading the native soil with no added surfacing materials, may regulate the operation of an electric-assisted bicycle.

(e) No person under the age of 15 shall operate an electric-assisted bicycle.

Sec. 23. Minnesota Statutes 2020, section 169.222, is amended by adding a subdivision to read:

Subd. 6b. **Electric-assisted bicycle; equipment.** (a) The manufacturer or distributor of an electric-assisted bicycle must apply a label to the bicycle that is permanently affixed in a prominent location. The label must contain the classification number, top assisted speed, and motor wattage of the electric-assisted bicycle, and must be printed in a legible font with at least 9-point type.

(b) A person must not modify an electric-assisted bicycle to change the motor-powered speed capability or motor engagement unless the person replaces the label required in paragraph (a) with revised information.

(c) An electric-assisted bicycle must operate in a manner so that the electric motor is disengaged or ceases to function when the rider stops pedaling or when the brakes are applied.

(d) A class 3 electric-assisted bicycle must be equipped with a speedometer that displays the speed at which the bicycle is traveling in miles per hour.

EFFECTIVE DATE. Paragraph (a) is effective January 1, 2022. Paragraphs (b) to (d) are effective August 1, 2021.

Sec. 24. **[174.375] ACTIVE TRANSPORTATION ADVISORY COMMITTEE.**

Subdivision 1. Committee established; duties. (a) The commissioner of transportation must establish an active transportation advisory committee. The advisory committee must make recommendations to the commissioner on items related to:

(1) active transportation, including safety, education, and development programs;

(2) the active transportation program under section 174.38; and

(3) the safe routes to school program under section 174.40.

(b) The committee must review and analyze issues and needs relating to active transportation on public rights-of-way and identify solutions and goals for addressing identified issues and needs.

(c) For purposes of this section, "active transportation" includes bicycling, pedestrian activities, and other forms of nonmotorized transportation.

Subd. 2. Membership. (a) The advisory committee consists of the members specified in this subdivision.

(b) The commissioner of transportation must appoint up to 18 public members, as follows: one member from each of the department's seven greater Minnesota districts; four members from the department's metropolitan district; and no more than seven members at large. Each of the members at large must represent nonmotorized interests or organizations.

(c) The commissioners of each of the following state agencies must appoint an employee of the agency to serve as a member: administration, education, health, natural resources, public safety, transportation, and pollution control. The chair of the Metropolitan Council must appoint an employee of the council to serve as a member. The director of Explore Minnesota Tourism must appoint an employee of the agency to serve as a member.

(d) The division administrator of the Federal Highway Administration may appoint an employee of the agency to serve as a member.

(e) Each member of the committee serves a four-year term at the pleasure of the appointing authority.

(f) The committee must select a chair from its membership.

Subd. 3. Meetings; staffing. (a) The advisory committee must establish a meeting schedule and meet at least annually.

(b) The commissioner of transportation must provide department staff support to the advisory committee.

Subd. 4. **Expenses.** (a) Members of the advisory committee serve without compensation, but members who are not employees of government agencies must be reimbursed for expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2.

(b) To provide compensation under paragraph (a), the commissioner of transportation may expend the amount necessary from general fund appropriations.

Subd. 5. **Reports.** The advisory committee must submit an annual report to the commissioner of transportation.

Subd. 6. **Expiration.** The advisory committee expires June 30, 2031.

EFFECTIVE DATE. This section is effective the day following final enactment. The commissioner of transportation must convene the first meeting by October 15, 2021.

Sec. 25. Minnesota Statutes 2020, section 174.42, subdivision 2, is amended to read:

Subd. 2. **Funding requirement.** In each federal fiscal year, the commissioner shall obtain a total amount in federal authorizations for reimbursement on transportation alternatives projects that is equal to or greater than 110 percent of the annual average of federal authorizations on transportation alternatives projects calculated over federal fiscal years ~~2010 to 2012~~ 2017 to 2020.

EFFECTIVE DATE. This section is effective October 1, 2022.

Sec. 26. **REVISOR INSTRUCTION.**

The revisor of statutes must renumber Minnesota Statutes, section 160.02, subdivision 27a, as Minnesota Statutes, section 169.011, subdivision 73a. The revisor must correct any cross-references made necessary by this renumbering.

Sec. 27. **EFFECTIVE DATE.**

Unless otherwise specified, this article is effective August 1, 2021.

ARTICLE 6 TRANSPORTATION FINANCE AND POLICY

Section 1. Minnesota Statutes 2020, section 16A.88, subdivision 1a, is amended to read:

Subd. 1a. **Greater Minnesota transit account.** The greater Minnesota transit account is established within the transit assistance fund in the state treasury. Money in the account is annually appropriated to the commissioner of transportation for assistance to transit systems outside the metropolitan area under section 174.24. The commissioner may use up to ~~\$408,000 in fiscal year 2008 and \$416,000 in fiscal year 2009 and thereafter~~ two percent of the available revenues in the account in each fiscal year for administration of the transit program. The commissioner shall use the account for transit operations as provided in section 174.24 and related program administration.

Sec. 2. Minnesota Statutes 2020, section 117.075, subdivision 2, is amended to read:

Subd. 2. **Appoint commissioners for damages.** (a) If the proposed taking shall appear to be necessary and such as is authorized by law, the court by an order shall appoint three disinterested commissioners, and at least two alternates, to ascertain and report the amount of damages that will be sustained by the several owners on account of such taking.

(b) All disinterested commissioners or alternates appointed under this subdivision must reside in Minnesota.

Sec. 3. Minnesota Statutes 2020, section 117.075, subdivision 3, is amended to read:

Subd. 3. **Commissioner qualifications.** ~~Before appointing a commissioner,~~ The court shall inquire whether each prospective commissioner has any relationship, business or otherwise, to any of the parties in the proceeding, or any interest in the proceeding which may constitute a conflict of interest, or which may create the appearance of impropriety should that person be appointed. Responses to this inquiry must be either written or on the record and made available by the court to any party in the proceeding ~~before and after appointment.~~ No person who might have difficulty in rendering an unbiased decision may be appointed to serve. The court, in its discretion, may appoint one registered, practicing attorney to the commission who is knowledgeable in eminent domain matters. All other commissioners appointed must be persons actively engaged in the occupation of real estate sales or real estate appraising or persons knowledgeable in real estate values.

Sec. 4. Minnesota Statutes 2020, section 161.115, subdivision 27, is amended to read:

Subd. 27. **Route No. 96.** Beginning at a point on Route No. ~~95~~ 244 as herein established at or near ~~Stillwater Dellwood City,~~ thence extending in a westerly direction to a point on Route No. ~~63~~ 1 at or near ~~New Brighton White Bear Lake.~~

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Washington County to transfer jurisdiction of Legislative Route No. 96 and after the commissioner sends notice to the revisor of statutes electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 5. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to read:

Subd. 97. **Corporal Caleb L. Erickson Memorial Highway.** That segment of marked Trunk Highway 13 in Waseca County from the southern border of Woodville Township to the northern border of Blooming Grove Township is designated as "Corporal Caleb L. Erickson Memorial Highway." Subject to section 161.139, the commissioner must adopt a suitable design to mark this highway and erect appropriate signs.

Sec. 6. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to read:

Subd. 98. **Private Joseph Marthaler Memorial Bridge.** The bridge on marked U.S. Highway 52 over Dakota County State-Aid Highway 8, known as Wentworth Avenue, in the city of West Saint Paul, is designated as "Private Joseph Marthaler Memorial Bridge." Subject to section 161.139, the commissioner must adopt a suitable design to mark the bridge and erect appropriate signs.

Sec. 7. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to read:

Subd. 99. **Patrol Inspector Robert H. Lobdell Memorial Highway.** The segment of marked Trunk Highway 11 from Roseau to Warroad is designated as "Patrol Inspector Robert H. Lobdell Memorial Highway." Subject to section 161.139, the commissioner must adopt a suitable design to mark this highway and erect appropriate signs.

Sec. 8. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to read:

Subd. 100. **Deputy Richard K. Magnuson Memorial Highway.** The segment of marked Trunk Highway 310 from Roseau to the border with Canada is designated as "Deputy Richard K. Magnuson Memorial Highway." Subject to section 161.139, the commissioner must adopt a suitable design to mark this highway and erect appropriate signs.

Sec. 9. Minnesota Statutes 2020, section 161.23, subdivision 2, is amended to read:

Subd. 2. **Conveyance of excess.** (a) On acquiring real estate in excess of what is needed for trunk highway purposes as authorized in subdivision 1, the commissioner of transportation shall, within one year after the completion of the construction, reconstruction, or improvement of the highway for which a portion of the real estate was needed and required, convey and quitclaim the excess real estate.

(b) The excess real estate may be sold and conveyed to the owner of the land abutting upon the excess real estate in the same manner and under the same terms provided under section 161.44, subdivision 2, or to the highest responsible bidder, after receipt of sealed bids following mailed notice to adjacent landowners and published notice of the sale for three successive weeks in a newspaper or trade journal of general circulation in the territory from which bids are likely to be received. All bids may be rejected and new bids received upon like advertisement.

(c) If the lands remain unsold after being offered for sale, the commissioner may offer the remaining lands to any person who agrees to pay the minimum bid established for the public sale. The sale must continue until all eligible lands have been sold or the commissioner withdraws the remaining lands from the sale. The lands to be sold must be listed on the department's unsold property inventory list.

(d) The deed may contain restrictive clauses limiting the use of such real estate in the interests of safety and convenient public travel when the commissioner finds that the restrictions are reasonably necessary.

Sec. 10. Minnesota Statutes 2020, section 161.23, subdivision 2a, is amended to read:

Subd. 2a. **Services of licensed real estate broker.** If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than ~~90~~ 80 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 11. **[161.369] INDIAN EMPLOYMENT PREFERENCE.**

As authorized by United States Code, title 23, section 140, paragraph (d), the commissioner may implement an Indian employment preference for members of federally recognized Tribes on projects carried out under United States Code, title 23, within 60 miles of an Indian reservation.

Sec. 12. Minnesota Statutes 2020, section 161.44, subdivision 6a, is amended to read:

Subd. 6a. **Services of licensed real estate broker.** If the lands are withdrawn from sale under subdivision 6b, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than ~~90~~ 80 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 13. Minnesota Statutes 2020, section 161.44, subdivision 6b, is amended to read:

Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest bidder, the commissioner may offer the remaining lands to any person who agrees to pay at least 80 percent of the minimum bid established for the public sale. Any offers less than 100 percent of the minimum bid must be approved by the commissioner prior to a sale. The sale must continue until all eligible lands have been sold or the commissioner withdraws the remaining lands from sale. The lands to be sold must be listed on the department's Unsold Property Inventory list.

Sec. 14. Minnesota Statutes 2020, section 162.145, subdivision 3, is amended to read:

Subd. 3. **Administration.** (a) Subject to funds made available by law, the commissioner shall allocate all funds as provided in subdivision 4 and shall, by June 1, certify to the commissioner of revenue the amounts to be paid.

(b) Following certification from the commissioner, the commissioner of revenue shall distribute the specified funds to cities in the same manner as local government aid under chapter 477A. An appropriation to the commissioner under this section is available to the commissioner of revenue for the purposes specified in this paragraph.

(c) Notwithstanding other law to the contrary, in order to receive distributions under this section, a city must conform to the standards in section 477A.017, subdivision 2. A city that receives funds under this section must make and preserve records necessary to show that the funds are spent in compliance with subdivision ~~4~~ 5.

Sec. 15. Minnesota Statutes 2020, section 163.07, subdivision 2, is amended to read:

Subd. 2. **Qualifications, salary, and term.** The county highway engineer shall be a registered highway or civil engineer, registered under the laws of the state of Minnesota. The county board may appoint a new county engineer for a term of only one year. All reappointments shall be for a term of four years, and shall be made in May of the year in which the term expires. ~~The county highway engineer shall be a citizen and resident of this state.~~ The county highway engineer's salary shall be fixed by the county board and shall be payable the same as other county officers are paid. The salary shall not be reduced during the county highway engineer's term of office.

Sec. 16. **[168.0135] MOTOR VEHICLE REGISTRATION SELF-SERVICE KIOSKS.**

Subdivision 1. **Authorization.** (a) The commissioner, in consultation with deputy registrars, must establish a process to implement, locate, and install self-service kiosks that may be used for motor vehicle registration renewals. The commissioner must establish reasonable performance, security, technical, and financial standards to approve a vendor. Self-service kiosks authorized by this section must:

(1) allow a customer to renew a motor vehicle registration pursuant to section 168.013, without assistance of a deputy registrar;

(2) dispense license plate tabs to the applicant at the time of the application; and

(3) display the contact phone number and e-mail address of the deputy registrar's office that is responsible for the self-service kiosk.

(b) This section only applies to deputy registrars appointed pursuant to section 168.33, subdivision 2.

Subd. 2. **Administration.** (a) The commissioner must contract with a vendor to provide the hardware and software necessary to implement the self-service kiosk program. The commissioner must provide fair and reasonable access to department facilities, staff, and technology. The vendor is responsible for the maintenance and installation of all self-service kiosks. The vendor must provide training to deputy registrars on how to operate and troubleshoot issues with a self-service kiosk.

(b) A deputy registrar must make a request to the commissioner to have a self-service kiosk placed in the deputy registrar's service area. The commissioner may approve the placement.

(c) The deputy registrar that requested the placement of the self-service kiosk is responsible for the kiosk. The deputy registrar may coordinate with the vendor for administration and to ensure that all registration materials contained within the self-service kiosks are properly handled and accounted for.

Subd. 3. Fees. (a) The commissioner may assess a convenience fee of \$5 or less for each transaction completed using a self-service kiosk. The vendor must retain the revenue from any convenience fee that is assessed.

(b) The filing fees in section 168.33, subdivision 7, apply to transactions conducted at a self-service kiosk. The deputy registrar must retain the filing fees.

(c) The fees authorized in this subdivision are in addition to any transaction fees, convenience fees, or other fees charged by a financial institution for use of a debit or credit card.

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

Sec. 17. Minnesota Statutes 2020, section 168.12, subdivision 1, is amended to read:

Subdivision 1. **Plates; design, visibility, periods of issuance.** (a) The commissioner, upon approval and payment, shall issue to the applicant the plates required by this chapter, bearing the state name and an assigned vehicle registration number. The number assigned by the commissioner may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned must be in marked contrast. The plates must be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the commissioner.

(b) When a vehicle is registered on the basis of total gross weight, the plates issued must clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid.

(c) Plates issued to a noncommercial vehicle must bear the inscription "noncommercial" unless the vehicle is displaying a special plate authorized and issued under this chapter.

(d) A one-ton pickup truck that is used for commercial purposes and is subject to section 168.185, is eligible to display special plates as authorized and issued under this chapter.

(e) The plates must be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, the plates, when viewed from a vehicle equipped with standard headlights, must be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet.

(f) The commissioner shall issue plates for the following periods:

(1) New plates issued pursuant to section 168.012, subdivision 1, must be issued to a vehicle for as long as the vehicle is owned by the exempt agency and the plate shall not be transferable from one vehicle to another but the plate may be transferred with the vehicle from one tax-exempt agency to another.

(2) Plates issued for passenger automobiles must be issued for a seven-year period. All plates issued under this paragraph must be replaced if they are seven years old or older at the time of registration renewal or will become so during the registration period.

(3) Plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, must be for a seven-year period.

(4) Plates issued under subdivisions 2c and 2d and ~~section~~ sections 168.123, 168.1235, and 168.1255 must be issued for the life of the veteran under section 169.79.

(5) Plates for any vehicle not specified in clauses (1) to (3) must be issued for the life of the vehicle.

(g) In a year in which plates are not issued, the commissioner shall issue for each registration a sticker to designate the year of registration. This sticker must show the year or years for which the sticker is issued, and is valid only for that period. The plates and stickers issued for a vehicle may not be transferred to another vehicle during the period for which the sticker is issued, except when issued for a vehicle registered under section 168.187.

(h) Despite any other provision of this subdivision, plates issued to a vehicle used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The public school shall notify the commissioner of each transfer of plates under this paragraph. The commissioner may prescribe a format for notification.

Sec. 18. **[168.1284] MINNESOTA 100 CLUB PLATES.**

Subdivision 1. Issuance of plates. The commissioner must issue Minnesota 100 Club special plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;

(2) pays the registration tax as required under section 168.013;

(3) pays a fee in the amount specified under section 168.12, subdivision 5, for each set of plates, along with any other fees required by this chapter;

(4) contributes a minimum of \$40 annually to the Minnesota 100 Club account; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. Design. The commissioner must adopt a suitable design for the plate in consultation with representatives from the Minnesota 100 Club.

Subd. 3. Plates transfer. On application to the commissioner and payment of a transfer fee of \$5, special plates issued under this section may be transferred to another motor vehicle if the subsequent vehicle is:

(1) qualified under subdivision 1, clause (1), to bear the special plates; and

(2) registered to the same individual to whom the special plates were originally issued.

Subd. 4. Exemption. Special plates issued under this section are not subject to section 168.1293, subdivision 2.

Subd. 5. Contributions; account; appropriation. Contributions collected under subdivision 1, clause (4), must be deposited in the Minnesota 100 Club account, which is established in the special revenue fund. Money in the account is annually appropriated to the commissioner. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to the Minnesota 100 Club to further the organization's mission and purpose of providing charitable gifts and contributions.

EFFECTIVE DATE. This section is effective January 1, 2022, for Minnesota 100 Club special plates issued on or after that date.

Sec. 19. **[168.1285] MINNESOTA AGRICULTURE PLATES.**

Subdivision 1. Issuance of plates. The commissioner must issue Minnesota agriculture special plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;

(2) pays a fee in the amount specified under section 168.12, subdivision 5, for each set of plates, along with any other fees required by this chapter;

(3) pays the registration tax as required under section 168.013;

(4) contributes a minimum of \$20 annually to the Minnesota agriculture account; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. **Design.** In consultation with the commissioner of agriculture, the commissioner must adopt a suitable plate design that includes a depiction of lands and activity related to agriculture.

Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer fee of \$5, special plates issued under this section may be transferred to another motor vehicle if the subsequent vehicle is:

(1) qualified under subdivision 1, clause (1), to bear the special plates; and

(2) registered to the same individual to whom the special plates were originally issued.

Subd. 4. **Exemption.** Special plates issued under this section are not subject to section 168.1293, subdivision 2.

Subd. 5. **Contributions; account; appropriation.** Contributions collected under subdivision 1, clause (4), must be deposited in the Minnesota agriculture account, which is established in the special revenue fund. Money in the account is appropriated to the commissioner of public safety. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to (1) the Minnesota FFA Foundation to support the mission of the foundation, and (2) the University of Minnesota Extension Service to support Minnesota 4-H programming and activities. The commissioner must annually consult with the Minnesota FFA Foundation and the University of Minnesota Extension Service for recommendations regarding how to allocate funds.

EFFECTIVE DATE. This section is effective January 1, 2022, for Minnesota agriculture special plates issued on or after that date.

Sec. 20. **[168.1286] HONORARY CONSUL PLATES.**

Subdivision 1. **Issuance of plates.** The commissioner must issue honorary consul special plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;

(2) is recognized as an honorary consular official appointed by the respective government to serve in Minnesota, and who provides a letter from the Minnesota Consular Corps;

(3) pays a fee in the amount specified for special plates under section 168.12, subdivision 5, for each set of plates, along with any other fees required by this chapter;

(4) pays the registration tax as required under section 168.013; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. **Design.** In consultation with the Minnesota Consular Corps, the commissioner must adopt a suitable plate design that includes an emblem and the inscription "Honorary Consul." The unique registration number for each set of special plates issued must contain the International Olympic Committee three-letter country code for the represented country followed by the lowest available sequential number.

Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer fee of \$5, special plates issued under this section may be transferred to another motor vehicle if the subsequent vehicle is:

(1) qualified under subdivision 1, clause (1), to bear the special plates; and

(2) registered to the same individual to whom the special plates were originally issued.

Subd. 4. **Plates surrender.** A person must return to the commissioner special plates issued under this section if (1) the plates are no longer in use, or (2) the person is no longer recognized as an honorary consular official by the appointing government.

Subd. 5. **Exemption.** Special plates issued under this section are not subject to section 168.1293, subdivision 2.

EFFECTIVE DATE. This section is effective January 1, 2022, for honorary consul special plates issued on or after that date.

Sec. 21. Minnesota Statutes 2020, section 168.183, is amended to read:

168.183 MOTOR VEHICLES OF CERTAIN NONRESIDENTS.

Subdivision 1. **Payment of taxes.** All trucks, truck-tractors, trucks using combination, and buses which comply with all of the provisions of section 168.181, subdivision 1, clause (6), but are excluded from the exemptions solely because of the temporary nature of their movement in this state, shall be required to comply with all laws and rules as to the payment of taxes applicable to like vehicles owned by Minnesota residents, except that nonresidents may make application to pay the tax for each vehicle proportionate to the number of months or fraction thereof the vehicles are in this state. For the purposes of this subdivision, buses do not include charter buses that are considered proratable vehicles under section 168.187, subdivision 4. Fees are determined by section 168.013, subdivision 1e.

Subd. 2. **Contents of application.** The application shall contain such information and shall be executed in such manner as the registrar may require and shall include a complete itinerary of the applicant and shall be accompanied by such evidence of ownership as the registrar shall deem necessary.

Subd. 3. **Permit.** Upon payment of the required tax the registrar shall issue, in lieu of registration plates, a permit for each vehicle so taxed. The permit shall contain the name and address of the owner, the make, type, serial number and year model of the vehicle, the expiration date and any other information deemed necessary by the registrar. The permit must be ~~carried in the vehicle at all times~~ available in a format prescribed by the registrar while the vehicle is being operated in this state.

Sec. 22. Minnesota Statutes 2020, section 168.301, subdivision 1, is amended to read:

Subdivision 1. **Surrender plates and credit tax paid.** (a) On transferring a motor vehicle, the transferor shall surrender the registration plates and assign the registration tax paid to the credit of the transferee.

(b) As specified in section 115A.908, the commissioner must impose a \$10 fee on each transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds.

Sec. 23. Minnesota Statutes 2020, section 168.31, subdivision 4, is amended to read:

Subd. 4. **Installments; registration generally.** (a) If the tax for a vehicle assessed under section 168.013, subdivision 1c, 1d, 1e, or 1g, amounts to more than \$400, the owner may pay the tax by installments.

(b) The owner shall tender with the application for registration one-third of the annual tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of \$10. Instead of this fee, the applicant may furnish a bond, bank letter of credit, or certificate of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The amount of the bond, letter of credit, or certificate of deposit may include any penalties assessed. The bond, letter of credit, or certificate of deposit must be for the benefit of the state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees and penalties.

(c) The remainder of the tax due must be paid in two equal installments. ~~The due date of the first installment is the first day of the fifth month of the registration period for which the tax is assessed July 1, and the second installment is due on the first day of the ninth month of the registration period for which the tax is assessed November 1.~~

(d) When the applicant elects to pay the administrative fee, the registrar shall issue to the applicant validation stickers indicating the expiration date of a registration. When the applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue regular validation stickers for the registration year.

(e) If an owner of a vehicle fails to pay an installment on or before its due date, the vehicle must not be used on the public streets or highways in this state until the installment or installments of the tax remaining due on the vehicle have been paid in full for the licensed year together with a penalty at the rate of \$1 per day for the remainder of the month in which the balance of the tax becomes due and \$4 a month for each succeeding month or fraction of a month during which the balance of the tax remains unpaid. Upon the payment of the balance of the tax and the penalties, the registrar shall issue a registration certificate to the owner of the vehicle in the manner provided by law. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of the owner who during the current year fails to pay any installment due within one month after the due date.

Sec. 24. Minnesota Statutes 2020, section 168.327, subdivision 1, is amended to read:

Subdivision 1. **Records and fees.** (a) Upon request by any person authorized in this section, the commissioner shall furnish a certified copy of any driver's license record, instruction permit record, Minnesota identification card record, vehicle registration record, vehicle title record, or accident record.

(b) Except as provided in subdivisions 4, 5a, and ~~5~~ 5b, and other than accident records governed under section 169.09, subdivision 13, the requester shall pay a fee of \$10 for each certified record specified in paragraph (a) or a fee of \$9 for each record that is not certified.

(c) Except as provided in subdivisions 4, 5a, and ~~5~~ 5b, in addition to the record fee in paragraph (b), the fee for a copy of the history of any vehicle title not in electronic format is \$1 for each page of the historical record.

(d) Fees collected under paragraph (b) for driver's license, instruction permit, and Minnesota identification card records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected must be credited to the driver services operating account in the special revenue fund under section 299A.705.

(e) Fees collected under paragraphs (b) and (c) for vehicle registration or title records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected must be credited to the vehicle services operating account in the special revenue fund specified in section 299A.705.

(f) Except as provided in subdivisions 4, 5a, and 5b, the commissioner shall permit a person to inquire into a record by the person's own electronic means for a fee of \$4.50 for each inquiry, except that no fee may be charged when the requester is the subject of the data. Of the fee:

(1) ~~Of the \$4.50 fee, \$2.70 must be deposited in the general fund;~~

(2) for driver's license, instruction permit, or Minnesota identification card records, the remainder must be deposited in the driver services operating account in the special revenue fund under section 299A.705; and

(3) for vehicle title or registration records, the remainder must be deposited in the vehicle services operating account in the special revenue fund under section 299A.705.

(g) Fees and the deposit of the fees for accident records and reports are governed by section 169.09, subdivision 13.

Sec. 25. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to read:

Subd. 5a. **Vehicle records subscription service.** (a) The commissioner may implement a vehicle records subscription service to provide information concerning access to motor vehicle records, including regular notice of records that have changed, to subscribers who:

(1) pay applicable fees; and

(2) are approved by the commissioner in accordance with section 168.346 and United States Code, title 18, section 2721.

(b) If a vehicle records subscription service is implemented, the commissioner must establish a fee that does not exceed \$3.680 per month for a subscription to the service. Fees collected under this paragraph must be credited to the vehicle services operating account under section 299A.705, subdivision 1, and are appropriated to the commissioner for the purposes in this paragraph and paragraph (a).

(c) If a motor vehicle records subscription service is implemented, the commissioner must charge a fee of \$0.02 per motor vehicle record requested. Of the fees collected, 20 percent must be credited to the vehicle services operating account under section 299A.705, subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision; 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

Sec. 26. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to read:

Subd. 5b. **Custom data request record fees.** (a) For purposes of this subdivision, "custom data request records" means a total of 1,000 or more (1) vehicle title records, (2) vehicle registration records, or (3) driver's license records.

(b) The commissioner must charge a fee of \$0.02 per record for custom data request records.

(c) Of the fees collected for custom data request records:

(1) 20 percent must be credited:

(i) for vehicle title or registration records, to the vehicle services operating account under section 299A.705, subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision; and

(ii) for driver's license records, to the driver services operating account under section 299A.705, subdivision 2, and is appropriated to the commissioner for the purposes of this subdivision;

(2) 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and

(3) 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

(d) The commissioner may impose an additional fee for technical staff to create a custom set of data under this subdivision.

Sec. 27. Minnesota Statutes 2020, section 168.327, subdivision 6, is amended to read:

Subd. 6. **Review and audit of ~~purchases of bulk driver and motor vehicle records~~ subscription services.** Each subscriber ~~and each requester of bulk vehicle records shall~~ under subdivision 4 or 5a must annually engage an independent professional organization to audit its uses of ~~bulk~~ data and its information technology security procedures, including the methods and practices employed in the processing and use of driver and vehicle services data. Within 30 days of the date of the audit report, each subscriber ~~and requester~~ must submit each report to the legislative auditor and the commissioner.

Sec. 28. Minnesota Statutes 2020, section 168A.11, subdivision 1, is amended to read:

Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring the vehicle to another person, other than by the creation of a security interest, the dealer shall promptly execute the assignment and warranty of title by a dealer, showing the names and addresses of the transferee and of any secured party holding a security interest created or reserved at the time of the resale, and the date of the security agreement in the spaces provided therefor on the certificate of title or secure reassignment.

(b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the dealer need not register the vehicle but shall pay one month's registration tax. If a dealer elects to apply for a certificate of title on a vehicle held for resale, the department shall not place any legend on the title that no motor vehicle sales tax was paid by the dealer, but may indicate on the title whether the vehicle is a new or used vehicle.

(c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer shall also, in the space provided therefor on the certificate of title or secure reassignment, state the true cumulative mileage registered on the odometer or that the exact mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage.

(d) The transferee shall complete the application for title section on the certificate of title or separate title application form prescribed by the department. The dealer shall mail or deliver the certificate to the registrar or deputy registrar with the transferee's application for a new certificate and appropriate taxes and fees, within ten business days.

(e) With respect to vehicles sold to buyers who will remove the vehicle from this state, the dealer shall remove any license plates from the vehicle, issue a 31-day temporary permit pursuant to section 168.091, and notify the registrar within 48 hours of the sale that the vehicle has been removed from this state. The notification must be made in an electronic format prescribed by the registrar. The dealer may contract with a deputy registrar for the notification of sale to an out-of-state buyer. The deputy registrar may charge a fee ~~not to exceed~~ of \$7 per transaction to provide this service.

Sec. 29. Minnesota Statutes 2020, section 168A.11, subdivision 2, is amended to read:

Subd. 2. **Notification on vehicle held for resale; service fee.** Within 48 hours of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership is holding the vehicle for resale. The notification must be made electronically as prescribed by the registrar. The dealer may contract this service to a deputy registrar and the registrar may charge a fee ~~not to exceed~~ of \$7 per transaction to provide this service.

Sec. 30. Minnesota Statutes 2020, section 169.035, subdivision 3, is amended to read:

Subd. 3. **Transportation by animal.** ~~Every~~ (a) A person riding an animal or ~~driving any animal drawing a~~ operating an animal-drawn vehicle upon a roadway ~~shall be~~ is subject to the provisions of this chapter applicable to the driver of a vehicle, except those provisions which by their nature can have no application.

(b) A person operating an animal-drawn vehicle must comply with sections 169.18, subdivision 10; 169.522; and 169.58, subdivision 6.

Sec. 31. Minnesota Statutes 2020, section 169.09, subdivision 13, is amended to read:

Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All reports and supplemental information required under this section must be for the use of the commissioner of public safety and other appropriate state, federal, county, and municipal governmental agencies for accident analysis purposes, except:

(1) upon written request, the commissioner of public safety or any law enforcement agency shall disclose the report required under subdivision 8 to:

(i) any individual involved in the accident, the representative of the individual's estate, or the surviving spouse, or one or more surviving next of kin, or a trustee appointed under section 573.02;

(ii) any other person injured in person, property, or means of support, or who incurs other pecuniary loss by virtue of the accident;

(iii) legal counsel of a person described in item (i) or (ii); ~~or~~

(iv) a representative of the insurer of any person described in item (i) or (ii); or

(v) a city or county attorney or an attorney representing the state in an implied consent action who is charged with the prosecution of a traffic or criminal offense that is the result of a traffic crash investigation conducted by law enforcement;

(2) the commissioner of public safety shall, upon written request, provide the driver filing a report under subdivision 7 with a copy of the report filed by the driver;

(3) the commissioner of public safety may verify with insurance companies vehicle insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

(4) the commissioner of public safety shall provide the commissioner of transportation the information obtained for each traffic accident involving a commercial motor vehicle, for purposes of administering commercial vehicle safety regulations;

(5) upon specific request, the commissioner of public safety shall provide the commissioner of transportation the information obtained regarding each traffic accident involving damage to identified state-owned infrastructure, for purposes of debt collection under section 161.20, subdivision 4; and

(6) the commissioner of public safety may give to the United States Department of Transportation commercial vehicle accident information in connection with federal grant programs relating to safety.

(b) Accident reports and data contained in the reports are not discoverable under any provision of law or rule of court. No report shall be used as evidence in any trial, civil or criminal, or any action for damages or criminal proceedings arising out of an accident. However, the commissioner of public safety shall furnish, upon the demand of any person who has or claims to have made a report or upon demand of any court, a certificate showing that a specified accident report has or has not been made to the commissioner solely to prove compliance or failure to comply with the requirements that the report be made to the commissioner.

(c) Nothing in this subdivision prevents any individual who has made a report under this section from providing information to any individuals involved in an accident or their representatives or from testifying in any trial, civil or criminal, arising out of an accident, as to facts within the individual's knowledge. It is intended by this subdivision to render privileged the reports required, but it is not intended to prohibit proof of the facts to which the reports relate.

(d) Disclosing any information contained in any accident report, except as provided in this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.

(e) The commissioner of public safety shall charge authorized persons as described in paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee collected under this paragraph must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund. The commissioner may also furnish an electronic copy of the database of accident records, which must not contain personal or private data on an individual, to private agencies as provided in paragraph (g), for not less than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision 3.

(f) The fees specified in paragraph (e) notwithstanding, the commissioner and law enforcement agencies shall charge commercial users who request access to response or incident data relating to accidents a fee not to exceed 50 cents per record. "Commercial user" is a user who in one location requests access to data in more than five accident reports per month, unless the user establishes that access is not for a commercial purpose. Of the money collected by the commissioner under this paragraph, 90 percent must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund.

(g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner shall provide an electronic copy of the accident records database to the public on a case-by-case basis using the cost-recovery charges provided for under section 13.03, subdivision 3. The database provided must not contain personal or private data on an individual. However, unless the accident records database includes the vehicle identification number, the commissioner shall include the vehicle registration plate number if a private agency certifies and agrees that the agency:

(1) is in the business of collecting accident and damage information on vehicles;

(2) will use the vehicle registration plate number only for identifying vehicles that have been involved in accidents or damaged, to provide this information to persons seeking access to a vehicle's history and not for identifying individuals or for any other purpose; and

(3) will be subject to the penalties and remedies under sections 13.08 and 13.09.

Sec. 32. Minnesota Statutes 2020, section 169.18, subdivision 10, is amended to read:

Subd. 10. **Slower vehicles.** (a) Upon a roadway with one lane in the direction of travel, a person proceeding at a speed that is sufficiently low as to create a traffic hazard, including when operating an animal-drawn vehicle upon a roadway or shoulder of a roadway, must operate the vehicle as close as practicable to the right-hand curb or edge of the roadway.

(b) Upon a roadway with more than one lane in the same direction of travel, a person must move out of the left-most lane to allow another vehicle to pass, when practicable under existing conditions. A left-most lane under this paragraph is the lane adjacent to one designated and posted for a specific type of traffic, including as provided under section 160.93. This paragraph does not apply when:

- (1) overtaking and passing another vehicle proceeding in the same direction;
- (2) preparing for a left turn at an intersection or into a private road or driveway;
- (3) preparing to exit a controlled-access highway on the left side of the road;
- (4) the lane is designated and posted for a specific type of traffic; or
- (5) the vehicle is an authorized emergency vehicle.

Sec. 33. Minnesota Statutes 2020, section 169.451, subdivision 3, is amended to read:

Subd. 3. ~~**Rules of commissioner** Inspection criteria. (a) The commissioner of public safety shall provide by rule for the issuance and display of distinctive inspection certificates.~~

~~(b) The commissioner of public safety shall provide by rule a point system for evaluating the effect on safety operation of any variance from law detected during inspections conducted pursuant to subdivision 1.~~

(a) The commissioner of public safety must inspect school buses in accordance with the School Bus Inspection Manual as prescribed in section 169.4501, subdivision 3. Upon completion of an inspection, the commissioner must provide a printed or electronic vehicle examination report to the carrier or school district.

(b) A school bus displaying a defect as defined in the "School Bus Recommended Out-of-Service Criteria" in the most recent edition of the "National School Transportation Specification and Procedures" adopted by the National Congress on School Transportation is deemed unsafe for student transportation. A member of the State Patrol must affix a rejection sticker to the lower left corner of the windshield. A person may remove the rejection sticker only upon authorization from a member of the State Patrol who has determined that all defects have been corrected. Pending reinspection and certification of the vehicle by a member of the State Patrol, a bus bearing a rejection sticker may be used to transport students if the defects have been corrected and the vehicle examination report is signed by the owner or a designee certifying that all defects have been corrected. The signed report must be carried in the first aid kit on the bus.

(c) A school bus that has had an inspection completed in which no out-of-service defects were identified has passed the inspection and a member of the State Patrol must affix an inspection certificate to the lower left corner of the windshield. All defects identified must be repaired within 14 days of the inspection. The person completing the repairs must sign and date the inspection report indicating the repairs were made. The inspection report must be retained at the principal place of business of the carrier or school district for 12 months following the inspection and must be available for review by a representative of the commissioner of public safety.

(d) A defect discovered during an inspection that was identified by a member of the State Patrol during a previous inspection but has not been corrected results in a failed inspection. A member of the State Patrol must affix a rejection sticker to the lower left corner of the windshield.

Sec. 34. Minnesota Statutes 2020, section 169.451, is amended by adding a subdivision to read:

Subd. 6. **Member of the State Patrol.** For purposes of this section, a member of the State Patrol includes an employee of the Department of Public Safety described in section 299D.06.

Sec. 35. Minnesota Statutes 2020, section 169.522, subdivision 1, is amended to read:

Subdivision 1. **Displaying emblem; rules.** (a) All animal-drawn vehicles, motorized golf carts when operated on designated roadways pursuant to section 169.045, implements of husbandry, and other machinery, including all road construction machinery, which are designed for operation at a speed of 30 miles per hour or less, must display a triangular slow-moving vehicle emblem, except (1) when being used in actual construction and maintenance work and traveling within the limits of a construction area marked in accordance with the Manual on Uniform Traffic Control Devices, as set forth in section 169.06, or (2) for a towed implement of husbandry that is empty and that is not self-propelled, in which case it may be towed at lawful speeds greater than 30 miles per hour without removing the slow-moving vehicle emblem. The emblem must consist of a fluorescent or illuminated red-orange triangle with a dark red reflective border and be mounted so as to be visible from a distance of not less than 600 feet to the rear. When a primary power unit towing an implement of husbandry or other machinery displays a slow-moving vehicle emblem visible from a distance of 600 feet to the rear, it is not necessary to display a similar emblem on the secondary unit. All slow-moving vehicle emblems sold in this state must be so designed that when properly mounted they are visible from a distance of not less than 600 feet to the rear when directly in front of lawful lower beam of headlamps on a motor vehicle. The commissioner of public safety shall adopt standards and specifications for the design and position of mounting the slow-moving vehicle emblem. Such standards and specifications must be adopted by rule in accordance with the Administrative Procedure Act.

(b) An alternate slow-moving vehicle emblem consisting of a dull black triangle with a white reflective border may be used after obtaining a permit from the commissioner under rules of the commissioner. A person with a permit to use an alternate slow-moving vehicle emblem must:

(1) carry in the vehicle a regular slow-moving vehicle emblem and display the emblem when operating a vehicle between sunset and sunrise, and at any other time when visibility is impaired by weather, smoke, fog, or other conditions; and

(2) permanently affix to the rear of the slow-moving vehicle at least 72 square inches of reflective tape that reflects the color red.

(c) In addition to the emblem requirement under this subdivision, an animal-drawn vehicle must comply with section 169.58, subdivision 6.

Sec. 36. Minnesota Statutes 2020, section 169.58, is amended by adding a subdivision to read:

Subd. 6. **Animal-drawn vehicles.** (a) An animal-drawn vehicle must be equipped with an identification lamp or lamps that indicate the vehicle's presence and are visible from a distance of at least 500 feet from both the front and the rear. The lighting requirement under this subdivision may be met using a lamp powered by energy generated from the vehicle's movement.

(b) This subdivision does not apply to an animal-drawn vehicle that: (1) operates exclusively between the hours of sunrise and sunset and never during periods of reduced visibility, inclement weather, or insufficient light; or (2) never operates on a public roadway.

Sec. 37. Minnesota Statutes 2020, section 169.812, subdivision 2, is amended to read:

Subd. 2. **Escort vehicles required; width.** (a) Except as provided in paragraphs (d) and (e), no escort vehicle is required if the width of an overdimensional load is 15 feet or less as measured at the bottom of the load or is 16 feet or less as measured at the top of the load.

(b) Only one rear escort vehicle is required on a multilane divided roadway if the width of an overdimensional load is more than 15 feet as measured at the bottom of the load or is more than 16 feet as measured at the top of the load.

(c) Only one lead escort vehicle and one rear escort vehicle is required on any undivided roadway if the width of an overdimensional load is more than 15 feet as measured at the bottom of the load or is more than 16 feet as measured at the top of the load.

(d) ~~Only one lead escort vehicle, one rear escort vehicle, and~~ one lead licensed peace officer is required when any part of an overdimensional load or a vehicle transporting an overdimensional load extends beyond the left of the centerline on an undivided roadway.

(e) The commissioner may require additional escorts when deemed necessary to protect public safety or to ensure against undue damage to the road foundations, surfaces, or structures. The commissioner must specify in the permit (1) the number of additional escorts required; and (2) whether the operators of the escort vehicles must be licensed peace officers or may be escort drivers, as defined in subdivision 1.

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

Sec. 38. **[169.8665] SPECIAL SOYBEAN MEAL-HAULING VEHICLE PERMIT.**

Subdivision 1. **Special three-unit vehicle permit.** The commissioner may issue a permit for a vehicle that transports soybean meal and meets the following requirements:

(1) is a combination of vehicles, including a truck-tractor and a semitrailer drawing one additional semitrailer, and no semitrailer used in the three-vehicle combination has an overall length in excess of 28-1/2 feet;

(2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

(3) is operated only in this state on marked U.S. Highway 75 in Crookston to marked U.S. Highway 2, and on marked U.S. Highway 2 from Crookston to the North Dakota border.

Subd. 2. **Special two-unit vehicle permit.** The commissioner may issue a permit for a vehicle that transports soybean meal and meets the following requirements:

(1) is a combination of vehicles consisting of a truck-tractor and a single semitrailer that may exceed 48 feet, but not 53 feet, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 43 feet;

(2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

(3) is operated only on the highways specified in subdivision 1, clause (3).

Subd. 3. **Restrictions.** (a) A vehicle issued a permit under subdivision 1 or 2:

(1) is subject to the axle weight limits in section 169.824;

(2) is subject to bridge load limits posted pursuant to section 169.84;

(3) is subject to seasonal load restrictions under section 169.87;

(4) may not be operated with a load that exceeds the tire manufacturer's recommended load under section 169.823, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other certification of gross weight rating under Code of Federal Regulations, title 49, sections 567.4 to 567.7;

(5) may not be operated on the interstate highway system; and

(6) may be operated on streets or highways under the control of a local authority only upon the approval of the local authority. However, vehicles may have reasonable access to terminals and facilities for food, fuel, repairs, and rest, and for continuity of route within one mile of the national network as provided by section 169.81, subdivision 3, and Code of Federal Regulations, title 23, section 658.19.

(b) The seasonal weight increases authorized under section 169.829 do not apply to permits issued under this section.

Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1 must be annual permits. The fee is \$850 for each vehicle, or a proportional amount as provided in section 169.86, subdivision 5, and must be deposited in the trunk highway fund. An amount sufficient to administer the permit program is appropriated from the trunk highway fund to the commissioner for the costs of administering the permit program.

Subd. 5. **Expiration date.** Upon request of the permit applicant, the expiration date for a permit issued under this section must be the same as the expiration date of the permitted vehicle's registration.

Sec. 39. Minnesota Statutes 2020, section 169.92, subdivision 4, is amended to read:

Subd. 4. ~~Suspension of driver's license~~ **Failure to appear.** (a) Upon receiving a report from the court, or from the driver licensing authority of a state, district, territory, or possession of the United States or a province of a foreign country which has an agreement in effect with this state pursuant to section 169.91, that a resident of this state or a person licensed as a driver in this state did not appear in court in compliance with the terms of a citation, the commissioner of public safety shall notify the driver that the driver's license will be suspended unless the commissioner receives notice within 30 days that the driver has appeared in the appropriate court ~~or, if the offense is a petty misdemeanor for which a guilty plea was entered under section 609.491, that the person has paid any fine imposed by the court.~~ If the commissioner does not receive notice of the appearance in the appropriate court or payment of the fine within 30 days of the date of the commissioner's notice to the driver, the commissioner may suspend the driver's license, subject to the notice requirements of section 171.18, subdivision 2. Notwithstanding the requirements in this subdivision, the commissioner is prohibited from suspending the driver's license of a person based solely on the fact that the person did not appear in court (1) in compliance with the terms of a citation for a petty misdemeanor, or (2) for a violation of section 171.24, subdivision 1.

(b) The order of suspension shall indicate the reason for the order and shall notify the driver that the driver's license ~~shall remain~~ **remains** suspended until the driver has furnished evidence, satisfactory to the commissioner, of compliance with any order entered by the court.

(c) Suspension shall be ordered under this subdivision only when the report clearly identifies the person arrested; describes the violation, specifying the section of the traffic law, ordinance or rule violated; indicates the location and date of the offense; and describes the vehicle involved and its registration number.

Sec. 40. Minnesota Statutes 2020, section 171.06, subdivision 2a, is amended to read:

Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) ~~In addition to the appropriate fee under subdivision 2,~~ the fee for ~~any duplicate driver's license obtained for the purpose of adding~~ a two-wheeled vehicle endorsement on a driver's license is increased by \$18.50;

~~(1) \$26.50 for each first such~~ an initial endorsement or a duplicate license obtained for the purpose of adding the endorsement; and

~~\$13~~ (2) \$17 for each license renewal thereof with the endorsement.

~~(b)~~ (b) The additional fee must be paid into the state treasury and credited as follows:

(1) ~~\$11~~ \$19 of the additional fee ~~for each first duplicate license under paragraph (a), clause (1), and \$7~~ \$11 of the additional fee ~~for each renewal under paragraph (a), clause (2), must be credited~~ to the motorcycle safety fund, which is hereby created; and

(2) ~~the remainder of the additional fee must be credited~~ to the general fund.

~~(b)~~ (c) All application forms prepared by the commissioner for two-wheeled vehicle endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle safety fund.

EFFECTIVE DATE. This section is effective August 1, 2021, for driver's license application and issuance on or after that date.

Sec. 41. Minnesota Statutes 2020, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant certifies that the applicant is not eligible for a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7; and

(5) include a method for the applicant to:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under ~~paragraph (d)~~ subdivision 3b, paragraph (e);

- (iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c; and
- (iv) indicate emergency contacts as provided under section 171.12, subdivision 5b.
- (b) Applications must be accompanied by satisfactory evidence demonstrating:
 - (1) identity, date of birth, and any legal name change if applicable; and
 - (2) for driver's licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:
 - (i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;
 - (ii) Social Security number, or related documentation as applicable; and
 - (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.
 - (c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:
 - (1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and
 - (2) a photographic identity document.

Sec. 42. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 11. Remote application. (a) The commissioner must establish a process for a person to apply remotely for a driver's license or Minnesota identification card, whether through a website or other means, as provided in this subdivision.

(b) The commissioner may issue or reinstate an expired driver's license or Minnesota identification card and may renew a driver's license or Minnesota identification card for a person who does not apply in-person if:

(1) the applicant submits documentation, as prescribed by the commissioner, that an eligible family member is an employee of a federal department or agency who is assigned to foreign service outside of the United States;

(2) there is not a material change to the applicant's name, date of birth, signature, and driver's license or identification number since the most recent driver's license or Minnesota identification card issuance;

(3) the application is not for a different type or class of driver's license or Minnesota identification card, as identified in sections 171.019, subdivision 2, and 171.02, subdivision 2;

(4) one of the following requirements is met:

(i) the commissioner has a previous photograph of the applicant on file that was taken within the last five years or in conjunction with the most recent issuance; or

(ii) for a noncompliant license or identification card, the applicant submits a photograph that meets the requirements of sections 171.07 and 171.071, Minnesota Rules, part 7410.1810, subpart 1, and any other technical requirements established by the commissioner, which may include but are not limited to background color, lighting and visibility standards, and electronic file size;

(5) for a driver's license, the commissioner has a record that the applicant has undergone an examination of the applicant's eyesight within the last two years, or the applicant submits a vision examination certificate that:

(i) has been completed within the last two years;

(ii) is signed by a licensed physician or an optometrist, including one who holds a similar license in a jurisdiction outside the United States; and

(iii) is in a form as prescribed by the commissioner;

(6) for an expired driver's license or Minnesota identification card:

(i) expiration was within the past five years;

(ii) expiration was due to driver's license or identification card issuance by another jurisdiction; and

(iii) the application includes surrender or invalidation of a valid driver's license or identification card issued by another jurisdiction; and

(7) the most recent issuance, reinstatement, or renewal was not performed under this subdivision.

(c) A person who applies for a driver's license or Minnesota identification card under this subdivision is not required to:

(1) take a knowledge examination;

(2) take a road examination to demonstrate ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and

(3) appear in-person for an updated photograph upon return to Minnesota.

(d) For purposes of this subdivision, "eligible family member" means the applicant for a driver's license or Minnesota identification card under this subdivision, the applicant's spouse or domestic partner, and the applicant's parent or guardian if the applicant is a dependent under age 26.

Sec. 43. Minnesota Statutes 2020, section 171.07, subdivision 15, is amended to read:

Subd. 15. **Veteran designation.** (a) At the request of an eligible applicant and on payment of the required fee, the department shall issue, renew, or reissue to the applicant a driver's license or Minnesota identification card bearing a graphic or written designation of:

(1) Veteran; or

(2) Veteran 100% T&P.

(b) At the time of the initial application for the designation provided under this subdivision, the applicant must:

(1) either:

(i) be a veteran, as defined in section 197.447;

(2) have, who provides a certified copy of the veteran's federal form DD-214 or other official discharge papers that describes the honorable service of the veteran; or

(ii) be a current or former member of the National Guard or a reserve component of the United States armed forces, who provides a certified copy of the person's federal form DD-214, form NGB-22, or official orders, showing that the person has honorably completed the first full term of service; and

~~(3)~~ (2) if the applicant is seeking the disability designation under paragraph (a), clause (2), provide satisfactory evidence of a 100 percent total and permanent service-connected disability as determined by the United States Department of Veterans Affairs.

~~(c) The commissioner of public safety is required to issue drivers' licenses and Minnesota identification cards with the veteran designation only after entering a new contract or in coordination with producing a new card design with modifications made as required by law. A driver's license or Minnesota identification card bearing the graphic or written designation under paragraph (a) does not entitle the license or identification card holder to state benefits not otherwise afforded under section 197.447.~~

Sec. 44. Minnesota Statutes 2020, section 171.071, is amended by adding a subdivision to read:

Subd. 4. **Variance for homebound individuals.** (a) Notwithstanding section 171.07 or Minnesota Rules, part 7410.1810, the commissioner may grant a variance from the photograph requirements for a noncompliant identification card if: (1) the individual is homebound as defined in paragraph (b); (2) the individual has submitted proof of homebound status; and (3) the department has a photograph of the applicant on file that was taken within the last four years or during the most recent renewal cycle or the applicant has submitted a photograph to the department that meets the requirements of section 171.07, Minnesota Rules, part 7410.1810, subpart 1, and other technical requirements established by the commissioner, such as background color and electronic file size, to ensure the image can be used on a credential and conforms with images taken by the department. Applicants granted a photograph variance under this subdivision are not required to appear in person to have a new photograph taken.

(b) For purposes of this subdivision, "homebound" means the individual is unable to leave the individual's residence due to a medical, physical, or mental health condition or infirmity as documented in writing by a physician, case worker, or social worker.

Sec. 45. Minnesota Statutes 2020, section 171.12, subdivision 7b, is amended to read:

Subd. 7b. **Data privacy; noncompliant license or identification card.** (a) With respect to noncompliant licenses or identification cards, the commissioner is prohibited from:

(1) electronically disseminating outside the state data that is not disseminated as of May 19, 2017; or

(2) utilizing any electronic validation or verification system accessible from or maintained outside the state that is not in use as of May 19, 2017.

(b) The limitations in paragraph (a) do not apply to the extent necessary to: (1) maintain compliance with the driver's license compact under section 171.50 and applicable federal law governing commercial driver's licenses; and (2) perform identity verification as part of an application for a replacement Social Security card issued by the Social Security Administration.

(c) For purposes of this subdivision, "outside the state" includes federal agencies, states other than Minnesota, organizations operating under agreement among the states, and private entities.

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

Sec. 46. Minnesota Statutes 2020, section 171.13, subdivision 1, is amended to read:

Subdivision 1. **Examination subjects and locations; provisions for color blindness, disabled veterans.** (a) Except as otherwise provided in this section, the commissioner shall examine each applicant for a driver's license by such agency as the commissioner directs. This examination must include:

(1) a test of the applicant's eyesight, provided that this requirement is met by submission of a vision examination certificate under section 171.06, subdivision 11;

(2) a test of the applicant's ability to read and understand highway signs regulating, warning, and directing traffic;

(3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal penalties and financial consequences resulting from violations of laws prohibiting the operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil transportation safety, including the significance of school bus lights, signals, stop arm, and passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and dangers of carbon monoxide poisoning;

(4) an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and

(5) other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways.

(b) Notwithstanding paragraph (a), no driver's license may be denied an applicant on the exclusive grounds that the applicant's eyesight is deficient in color perception. War veterans operating motor vehicles especially equipped for disabled persons, if otherwise entitled to a license, must be granted such license.

(c) The commissioner shall make provision for giving the examinations under this subdivision either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

(d) The commissioner shall ensure that an applicant is able to obtain an appointment for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the applicant's request if, under the applicable statutes and rules of the commissioner, the applicant is eligible to take the examination.

Sec. 47. Minnesota Statutes 2020, section 171.13, subdivision 6, is amended to read:

Subd. 6. ~~Initial motorcycle~~ **Two-wheeled vehicle endorsement examination fee.** A person applying for an initial ~~motorcycle~~ two-wheeled vehicle endorsement on a driver's license shall pay at the place of examination a total fee of \$21, ~~which includes the a \$2.50 examination fee and, an endorsement fee, but does not include the fee for a duplicate driver's license as prescribed in section 171.06, subdivision 2a, and the appropriate driver's license fee as prescribed in section 171.06, subdivision 2. Of this amount, \$11 must be credited as provided in section 171.06, subdivision 2a, paragraph (a), clause (1), \$2.50 must be credited to the driver services operating account in the special revenue fund specified under section 299A.705, and the remainder must be credited to the general fund.~~

EFFECTIVE DATE. This section is effective August 1, 2021, for driver's license application and issuance on or after that date.

Sec. 48. Minnesota Statutes 2020, section 171.13, subdivision 9, is amended to read:

Subd. 9. **Online driver's license knowledge testing authorization.** (a) The commissioner must implement online knowledge testing as provided in this subdivision. The commissioner must not charge a fee to a driver education program or an authorized entity for access to the online knowledge testing system or for administering the online knowledge test. The commissioner must administer the fourth or subsequent knowledge test for a person.

(b) Upon written request from a driver education program licensed by the department, the commissioner must grant access to the department's web-based knowledge testing system to the driver education program. Once granted access to the online knowledge testing system, a driver education program may administer the online knowledge test to a student of the program.

(c) An entity other than a driver education program may apply to the commissioner for authority to administer online knowledge tests. The commissioner may approve or disapprove an application for administering the online knowledge tests under this paragraph. Upon approving an application of an entity, the commissioner must grant access to the department's web-based knowledge testing system to that authorized entity. Once granted access to the online knowledge testing system, the authorized entity may administer the online knowledge test.

(d) A driver education program or authorized entity:

- (1) must provide all computers and equipment for persons that take the online knowledge test;
- (2) must provide appropriate proctors to monitor persons taking the online knowledge test; and
- (3) may charge a fee of no more than \$10 for administering the online knowledge test.

(e) For purposes of paragraph (d), clause (2), a proctor must be an employee of the driver education program, authorized entity, school, charter school, or state or local government. The proctor must be physically present at the location where the test is being administered. A proctor must not be a relative of the person taking the test. For purposes of this paragraph, a relative is a spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian, including adoptive, half, step, and in-law relationships.

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

Sec. 49. Minnesota Statutes 2020, section 171.16, subdivision 2, is amended to read:

Subd. 2. ~~Commissioner shall suspend~~ **Suspension on conviction.** (a) The court may recommend the suspension of the driver's license of the person so convicted, and, subject to the limitations in this section, the commissioner shall suspend such license as recommended by the court, without a hearing as provided herein.

(b) The commissioner is prohibited from suspending a person's driver's license if the person was convicted only under section 171.24, subdivision 1 or 2.

Sec. 50. Minnesota Statutes 2020, section 171.16, subdivision 3, is amended to read:

Subd. 3. ~~Suspension for Failure to pay fine. When any court reports to~~ The commissioner is prohibited from suspending a person's driver's license based solely on the fact that a person: (1) has been convicted of violating a law of this state or an ordinance of a political subdivision which regulates the operation or parking of motor vehicles, (2) has been sentenced to the payment of a fine or had a surcharge levied against that person, or sentenced to a fine upon which a surcharge was levied, and (3) has refused or failed to comply with that sentence or to pay the surcharge, ~~notwithstanding the fact that the court has determined that the person has the ability to pay the fine or surcharge, the commissioner shall suspend the driver's license of such person for 30 days for a refusal or failure to pay or until notified by the court that the fine or surcharge, or both if a fine and surcharge were not paid, has been paid.~~

Sec. 51. Minnesota Statutes 2020, section 171.16, is amended by adding a subdivision to read:

Subd. 7. Suspension under reciprocal agreement. (a) For purposes of this subdivision:

(1) "issuing jurisdiction" means a state, district, territory, or possession of the United States or a province of a foreign country which has an agreement in effect with this state pursuant to the nonresident violator compact; and

(2) "traffic violation" means a violation of a traffic regulation relating to the operation of a motor vehicle and excludes a parking, vehicle equipment, or vehicle weight limit violation.

(b) Notwithstanding subdivisions 3 and 3a, the commissioner may suspend the driver's license of a person licensed in this state upon receiving a report from an issuing jurisdiction that the person:

(1) did not appear in court in compliance with the terms of a citation for a traffic violation that, if committed in this state, is a petty misdemeanor or a violation under section 171.24, subdivision 1; or

(2) is convicted of a traffic violation, is subject to a fine or surcharge, and has failed to pay the fine or surcharge.

(c) A suspension is authorized under this subdivision only as necessary to conform with the requirements of the nonresident violator compact.

(d) A suspension under this subdivision is subject to the notice requirements under section 171.18, subdivision 2.

Sec. 52. Minnesota Statutes 2020, section 171.18, subdivision 1, is amended to read:

Subdivision 1. **Offenses.** (a) Subject to section 171.16, the commissioner may suspend the license of a driver without preliminary hearing upon a showing by department records or other sufficient evidence that the licensee:

(1) has committed an offense for which mandatory revocation of license is required upon conviction;

(2) has been convicted by a court for violating a provision of chapter 169 or an ordinance regulating traffic, other than a conviction for a petty misdemeanor, and department records show that the violation contributed in causing an accident resulting in the death or personal injury of another, or serious property damage;

(3) is an habitually reckless or negligent driver of a motor vehicle;

(4) is an habitual violator of the traffic laws;

(5) is incompetent to drive a motor vehicle as determined in a judicial proceeding;

(6) has permitted an unlawful or fraudulent use of the license;

(7) has committed an offense in another state that, if committed in this state, would be grounds for suspension;

(8) has committed a violation of section 169.444, subdivision 2, paragraph (a), within five years of a prior conviction under that section;

(9) has committed a violation of section 171.22, except that the commissioner may not suspend a person's driver's license based solely on the fact that the person possessed a fictitious or fraudulently altered Minnesota identification card;

(10) has failed to appear in court as provided in section 169.92, subdivision 4;

(11) has failed to report a medical condition that, if reported, would have resulted in cancellation of driving privileges;

(12) has been found to have committed an offense under section 169A.33; or

(13) has paid or attempted to pay a fee required under this chapter for a license or permit by means of a dishonored check issued to the state or a driver's license agent, which must be continued until the registrar determines or is informed by the agent that the dishonored check has been paid in full.

However, an action taken by the commissioner under clause (2) or (5) must conform to the recommendation of the court when made in connection with the prosecution of the licensee.

(b) The commissioner ~~may not suspend~~ is prohibited from suspending the driver's license of an individual ~~under paragraph (a) who was convicted of~~ who meets any of the conditions described in paragraph (a) due to a conviction for a violation of section 171.24, subdivision 1, whose license was under suspension at the time solely because of the individual's failure to appear in court or failure to pay a fine or 2.

Sec. 53. Minnesota Statutes 2020, section 171.20, subdivision 4, is amended to read:

Subd. 4. **Reinstatement fee.** (a) Before the license is reinstated, a single \$20 reinstatement fee is imposed for:

(1) an individual whose driver's license has been suspended under section 171.16, ~~subdivisions subdivision 2 and 3;~~ 171.175; 171.18; or 171.182, or who has been disqualified from holding a commercial driver's license under section 171.165, ~~and;~~

(2) an individual whose driver's license has been suspended under section 171.186 and who is not exempt from such a fee, ~~must pay a fee of \$20;~~ and

~~(b) Before the license is reinstated,~~ (3) an individual whose license has been suspended under sections 169.791 to 169.798 ~~must pay a \$20 reinstatement fee.~~

(b) An individual whose driver's license is subject to more than one suspension and who is otherwise eligible for reinstatement must pay a single reinstatement fee and a single filing fee. An individual whose driver's license has been suspended and revoked and who is otherwise eligible for reinstatement must pay a single reinstatement fee as provided in section 171.29.

(c) When fees are collected by a ~~licensing~~ driver's license agent appointed under section 171.061, a ~~handling charge~~ filing fee is imposed in the amount specified under section 171.061, subdivision 4. The reinstatement fee and ~~surcharge~~ filing fee must be deposited in an approved state depository as directed under section 171.061, subdivision 4.

(d) Reinstatement fees collected under paragraph (a) for suspensions under ~~sections 171.16, subdivision 3, and section~~ 171.18, subdivision 1, clause (10), must be deposited in the general fund.

(e) A suspension may be rescinded without fee for good cause.

Sec. 54. Minnesota Statutes 2020, section 171.27, is amended to read:

171.27 EXPIRATION OF LICENSE EXPIRATION AND RENEWAL; MILITARY EXCEPTION EXCEPTIONS.

Subdivision 1. Expiration. (a) Except as otherwise provided in this section, the expiration date for each driver's license is the birthday of the driver in the fourth year following the date of issuance of the license. The birthday of the driver shall be as indicated on the application for a driver's license. A license may be renewed on or before expiration or within one year after expiration upon application, payment of the required fee, and passing the examination required of all drivers for renewal. Driving privileges shall be extended or renewed on or preceding the expiration date of an existing driver's license unless the commissioner believes that the licensee is no longer qualified as a driver.

(b) The expiration date for each under-21 license shall be the 21st birthday of the licensee. Upon the licensee attaining the age of 21 and upon the application, payment of the required fee, and passing the examination required of all drivers for renewal, a driver's license shall be issued unless the commissioner determines that the licensee is no longer qualified as a driver.

(c) The expiration date for each provisional license is two years after the date of application for the provisional license.

(d) Notwithstanding paragraphs (a) to (c), the expiration date for a license issued to a person with temporary lawful status is the last day of the person's legal stay in the United States, or one year after issuance if the last day of the person's legal stay is not identified.

Subd. 2. Extension of expiration. ~~(e) Any valid Minnesota driver's license issued to~~ (a) For purposes of this subdivision, "eligible individual" means:

(1) a person then or subsequently serving outside Minnesota in active military service, as defined in section 190.05, subdivision 5, in any branch or unit of the armed forces of the United States;

(2) a person then or subsequently serving outside Minnesota as a volunteer in the Peace Corps;

(3) a person who is an employee of a federal department or agency and is assigned to foreign service outside of the United States; or

(4) the person's spouse, shall continue domestic partner, or dependent under age 26 of a person in clause (1), (2), or (3).

(b) A valid Minnesota driver's license issued to an eligible individual continues in full force and effect without requirement for renewal until the date one year following the service member's person's separation or discharge from active military or volunteer service, or following the conclusion of assignment to foreign service outside the United States, and until the license holder's birthday in the fourth full year following the person's most recent license renewal or, in the case of a provisional license, until the person's birthday in the third full year following the renewal.

Sec. 55. Minnesota Statutes 2020, section 171.29, subdivision 2, is amended to read:

Subd. 2. Reinstatement fees and surcharges allocated and appropriated. (a) An individual whose driver's license has been revoked ~~as provided in subdivision 1, except under section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota Statutes 2012, section 609.21, by reason of one or more convictions, pleas of~~

guilty, forfeitures of bail not vacated, or mandatory revocations under section 169.791, 169.792, 169.797, 171.17, or 171.172, and who is otherwise eligible for reinstatement must pay a single \$30 fee before the driver's license is reinstated. An individual whose driver's license has been revoked under provisions specified in both this paragraph and paragraph (b) must pay a single reinstatement fee as provided in paragraph (b).

(b) A person whose driver's license has been revoked ~~as provided in subdivision 1~~ under one or more provisions of section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota Statutes 2012, section 609.21, must pay a single \$250 fee plus a single \$430 surcharge before the driver's license is reinstated, except as provided in paragraph (f). The \$250 fee ~~is to~~ must be credited as follows:

(1) ~~twenty 20 percent must be credited~~ to the driver services operating account in the special revenue fund as specified in section 299A.705-;

(2) ~~sixty seven 67 percent must be credited~~ to the general fund-;

(3) eight percent ~~must be credited~~ to a separate account to be known as the Bureau of Criminal Apprehension account. Money in this account is annually appropriated to the commissioner of public safety and the appropriated amount must be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065-; and

(4) five percent ~~must be credited~~ to a separate account to be known as the vehicle forfeiture account, which is created in the special revenue fund. The money in the account is annually appropriated to the commissioner for costs of handling vehicle forfeitures.

(c) The revenue from \$50 of the surcharge must be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The revenue from \$50 of the surcharge on a reinstatement under paragraph (f) is credited from the first installment payment to the traumatic brain injury and spinal cord injury account. The money in the account is annually appropriated to the commissioner of health to be used as follows: 83 percent for contracts with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this paragraph, a "qualified community-based organization" is a private, not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt organization and must have as its purposes:

(1) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;

(2) the provision of a network of support for persons with traumatic brain injury, their families, and friends;

(3) the development and support of programs and services to prevent traumatic brain injury;

(4) the establishment of education programs for persons with traumatic brain injury; and

(5) the empowerment of persons with traumatic brain injury through participation in its governance.

A patient's name, identifying information, or identifiable medical data must not be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian or, if the patient is a minor, of the parent or guardian of the patient.

(d) The remainder of the surcharge must be credited to a separate account to be known as the remote electronic alcohol-monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of management and budget on a monthly basis for deposit in the general fund.

(e) When these fees are collected by a licensing driver's license agent, appointed under section 171.061, a ~~handling charge~~ filing fee is imposed in the amount specified under section 171.061, subdivision 4. The reinstatement fees ~~and~~ surcharge, and filing fee must be deposited in an approved depository as directed under section 171.061, subdivision 4.

(f) A person whose driver's license has been revoked as provided in subdivision 1 under section 169A.52, 169A.54, or 171.177 ~~and who the court certifies as being financially eligible for a public defender under section 611.17,~~ may choose to pay 50 percent and an additional \$25 of the total amount of the surcharge and 50 percent of the fee required under paragraph (b) to reinstate the person's driver's license, provided the person meets all other requirements of reinstatement. If a person chooses to pay 50 percent of the total and an additional \$25, the driver's license must expire after two years. The person must pay an additional 50 percent less \$25 of the total to extend the license for an additional two years, provided the person is otherwise still eligible for the license. After this final payment of the surcharge and fee, the license may be renewed on a standard schedule, as provided under section 171.27. A ~~handling charge~~ filing fee may be imposed for each installment payment. Revenue from the ~~handling charge~~ filing fee is credited to the driver services operating account in the special revenue fund and is appropriated to the commissioner.

(g) Any person making installment payments under paragraph (f), whose driver's license subsequently expires, or is canceled, revoked, or suspended before payment of 100 percent of the surcharge and fee, must pay the outstanding balance due for the initial reinstatement before the driver's license is subsequently reinstated. Upon payment of the outstanding balance due for the initial reinstatement, the person may pay any new surcharge and fee imposed under paragraph (b) in installment payments as provided under paragraph (f).

Sec. 56. **[171.325] DRIVER'S LICENSE SUSPENSIONS AND REVOCATIONS; REPORTS.**

Subdivision 1. Issuance, suspensions, and revocations. (a) Annually by February 15, the commissioner of public safety must report to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety and transportation on the status of drivers' licenses issued, suspended, and revoked. The commissioner must make the report available on the department's website.

(b) At a minimum, the report must include:

(1) the total number of drivers' licenses issued, suspended, and revoked as of January 1 of the year the report is submitted, broken down by county;

(2) for each of the previous eight calendar years, the total number of drivers' licenses suspended and the number of suspended licenses reinstated; and

(3) for each of the previous eight calendar years, the total number of drivers' licenses revoked and the number of revoked licenses reinstated.

(c) For purposes of paragraph (b), clauses (1), (2), and (3), the report must identify each type of suspension or revocation authorized by statute or rule and include the number of licenses suspended or revoked for each type.

Subd. 2. Charges, convictions, and fines. (a) Annually by February 15, the state court administrator must report to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety and transportation on (1) charges and convictions for driving after suspension or revocation, and (2) payment of fines for violations related to operation of a motor vehicle. The administrator must make the report available on the state court's website.

(b) At a minimum, the report must include:

(1) for each of the previous eight calendar years, the number of charges under section 171.24, subdivisions 1 and 2, broken down by the charges for each subdivision and indicating whether the court appointed the public defender to represent the defendant;

(2) for each of the previous eight calendar years, the number of convictions under section 171.24, subdivisions 1 and 2, broken down by the convictions for each subdivision and indicating whether the court appointed the public defender to represent the defendant; and

(3) for the past calendar year, for all charges on violations related to the operation of a motor vehicle and included on the uniform fine schedule authorized under section 609.101, subdivision 4, the percentage of fines, broken down by whether the court appointed the public defender to represent the defendant, that:

(i) were paid in full by the due date on the citation;

(ii) were paid in full through a payment plan;

(iii) accrued late charges;

(iv) were sent to court collections; and

(v) were sent to the Department of Revenue for collection.

Sec. 57. Minnesota Statutes 2020, section 174.01, is amended by adding a subdivision to read:

Subd. 3. Vehicle miles traveled reduction goal. (a) It is the goal of the state to reduce vehicle miles traveled by at least 20 percent by 2050 on a statewide basis.

(b) For the goal specified in paragraph (a), the commissioner must:

(1) establish a baseline amount or year;

(2) establish separate goals for metropolitan and rural areas of the state in a manner that accounts for differences in transportation options and patterns;

(3) analyze establishment of goal components for regions of the state, per capita vehicle miles traveled, interim years, or a combination;

(4) incorporate the goal as appropriate into the department's planning and project development activities;

(5) perform annual tracking and analysis; and

(6) provide information to the general public regarding each of the requirements specified in this subdivision, which may be in the form of reporting on sustainability, inclusion in the statewide multimodal transportation plan under section 174.03, subdivision 1a, or other means.

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

Sec. 58. Minnesota Statutes 2020, section 174.03, subdivision 1c, is amended to read:

Subd. 1c. **Statewide Minnesota state highway investment plan.** Within one year of each revision of the statewide multimodal transportation plan under subdivision 1a, the commissioner must prepare a 20-year ~~statewide Minnesota state~~ Minnesota state highway investment plan that:

(1) incorporates performance measures and targets for assessing progress and achievement of the state's transportation goals, objectives, and policies identified in this chapter for the state trunk highway system, and those goals, objectives, and policies established in the statewide multimodal transportation plan. Performance targets must be based on objectively verifiable measures, and address, at a minimum:

(i) preservation and maintenance of the structural condition of state highway roadways, bridges and pavements, roadside infrastructure, and traveler-related facilities;

(ii) safety; and

(iii) mobility;

(2) summarizes trends and impacts for each performance target over the past five years;

(3) summarizes the amount and analyzes the impact of the department's capital investments and priorities over the past five years on each performance target, including a comparison of prior plan projected costs with actual costs;

(4) identifies the investments required to meet the established performance targets over the next 20-year period;

(5) projects available state and federal funding over the 20-year period, including any unique, competitive, time-limited, or focused funding opportunities;

(6) identifies strategies to ensure the most efficient use of existing transportation infrastructure, and to maximize the performance benefits of projected available funding;

(7) establishes investment priorities for projected funding, ~~including which must:~~

(i) provide for cost-effective preservation, maintenance, and repair to address the goal under section 174.01, subdivision 2, clause (9), in a manner that aligns with other goals in that section;

(ii) as appropriate, provide a schedule of major projects or improvement programs for the 20-year period ~~together with;~~ and

(iii) identify resulting projected costs and impact on performance targets; and

(8) identifies those performance targets identified under clause (1) not expected to meet the target outcome over the 20-year period together with alternative strategies that could be implemented to meet the targets.

EFFECTIVE DATE. This section is effective the day following final enactment and applies starting with the next update to the plan under this section.

Sec. 59. Minnesota Statutes 2020, section 174.03, subdivision 12, is amended to read:

Subd. 12. ~~Asset management~~ **Trunk highway performance, resiliency, and sustainability.** (a) The commissioner must ~~maintain~~ implement performance measures and annual targets for the trunk highway system in order to construct resilient infrastructure, enhance the project selection for all transportation modes, improve economic security, and achieve the state transportation goals established in section 174.01.

(b) At a minimum, the transportation planning process must include:

(1) an inventory of transportation assets, including but not limited to bridge, pavement, geotechnical, pedestrian, bicycle, and transit asset categories;

(2) lag (resulting), and where practicable lead (predictive), performance measures and annual targets that are:

(i) statewide and district-specific;

(ii) for assets in each asset category specified in clause (1) for a period of up to 60 years; and

(iii) identified in collaboration with the public;

(3) gap identification and an explanation of the difference between performance targets and current status; and

(4) life cycle assessment and corridor risk assessment as part of asset management programs in each district of the department.

(c) At a minimum, the ten-year capital highway investment plan in each district of the department must:

(1) be based on expected funding during the plan period;

(2) identify investments within each of the asset categories specified in paragraph (b), clause (1);

(3) recommend specific trunk highway segments to be removed from the trunk highway system; and

(4) deliver annual progress toward achieving the state transportation goals established in section 174.01.

(d) Annually by December 15, the commissioner must report trunk highway performance measures and annual targets and identify gaps, including information detailing the department's progress on achieving the state transportation goals, to the chairs and ranking minority members of the legislative committees having jurisdiction over transportation policy and finance. The report must be signed by the department's chief engineer.

EFFECTIVE DATE. This section is effective July 1, 2021. The initial performance implementation report under this section is due December 15, 2022.

Sec. 60. Minnesota Statutes 2020, section 174.185, subdivision 3, is amended to read:

Subd. 3. **Report.** The commissioner shall report annually to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance ~~beginning on January 1, 2012,~~ the results of the analyses required in subdivision 2.

Sec. 61. Minnesota Statutes 2020, section 174.24, subdivision 7, is amended to read:

Subd. 7. **Transit service for disabled veterans.** ~~On and after July 1, 2009,~~ An eligible recipient of operating assistance under this section, who contracts or has contracted to provide fixed route public transit, shall provide fixed route public transit service free of charge for veterans, as defined in section 197.447, certified as disabled. For purposes of this section, "certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of veterans affairs as having a permanent service-connected disability.

Sec. 62. Minnesota Statutes 2020, section 174.285, subdivision 5, is amended to read:

Subd. 5. **Report.** By January 15 of each year, ~~beginning in 2012,~~ the council shall report its findings, recommendations, and activities to the governor's office and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation, health, and human services, and to the legislature as provided under section 3.195.

Sec. 63. Minnesota Statutes 2020, section 174.40, subdivision 5, is amended to read:

Subd. 5. **Program administration.** (a) The commissioner shall establish general program requirements and a competitive process for financial assistance, including but not limited to eligibility requirements for grant recipients and projects; procedures for solicitation of grants; application requirements; procedures for payment of financial assistance awards; and a schedule for application, evaluation, and award of financial assistance.

(b) An application must include:

- (1) a detailed and specific description of the project;
- (2) an estimate, along with necessary supporting evidence, of the total costs for the project and the allocation of identified and proposed funding sources for the project;
- (3) an assessment of the need for and benefits of the project;
- (4) a resolution adopted by the governing body of the school for which a safe routes to school grant is requested, certifying that: (i) the governing body of the school supports the project; and (ii) funds, if any, required to be supplied by the school to complete the project are available and committed;
- (5) a timeline indicating the major milestones of the project and their anticipated completion dates; and
- (6) any additional information or material the commissioner prescribes.

(c) The commissioner shall make reasonable efforts to (1) publicize each solicitation for applications among all eligible recipients, and (2) provide technical and informational assistance in creating and submitting applications.

(d) ~~By January 1, 2013,~~ The commissioner of transportation shall publish and maintain a manual on the safe routes to school program that assists applicants for and recipients of financial assistance. The manual must include a list of eligibility and general program requirements, an explanation of the application process, and a review of the criteria used to evaluate projects.

Sec. 64. **[174.48] ELECTRIC VEHICLE INFRASTRUCTURE DEVELOPMENT PROGRAM.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Battery exchange station" means infrastructure that enables a used electric vehicle battery to be removed and exchanged for a fresh electric vehicle battery.

(c) "Charging station" means infrastructure that (1) transfers electricity to an electric vehicle battery; or (2) dispenses hydrogen into an electric vehicle that uses a fuel cell to convert the chemical energy of hydrogen directly into electricity through electrochemical reactions.

(d) "Commissioner" means the commissioner of transportation.

(e) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

(f) "Electric vehicle infrastructure" means charging stations, battery exchange stations, and any associated equipment and infrastructure necessary to support the operation of electric vehicles and to make electricity available to the charging station or battery exchange station.

(g) "Financial assistance" includes authorization to expend funds on a Department of Transportation project.

(h) "Program" means the electric vehicle infrastructure development program established in this section.

Subd. 2. **Program established.** Subject to available funds, the commissioner must implement a program that provides financial assistance to expand electric vehicle infrastructure and electric vehicle adoption statewide on a geographically balanced basis. In implementing the program, the commissioner must consult with the commissioners of the Pollution Control Agency and commerce.

Subd. 3. **Electric vehicle infrastructure account.** An electric vehicle infrastructure account is established in the special revenue fund. The account consists of funds provided by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account must be expended only for the program under this section.

Subd. 4. **Program administration.** (a) The commissioner must establish program requirements, including but not limited to: eligibility of recipients and projects, subject to subdivisions 5 and 8; solicitation procedures; application requirements that minimize applicant burdens; procedures for awards and payment of financial assistance; and a schedule for application, evaluation, and award of financial assistance.

(b) The commissioner may provide grants or other financial assistance for a project at the commissioner's discretion.

(c) The commissioner must maintain, on a website, information regarding the program, including an overview of the program, application requirements, project evaluation criteria, and historical details on annual awards of financial assistance.

(d) The commissioner may use up to two percent of expended funds in a fiscal year for administrative costs of the program.

Subd. 5. **Eligibility.** The following entities are eligible to receive financial assistance under this section:

(1) a state agency, including the Department of Transportation;

(2) a political subdivision; and

(3) a Tribal government of a Tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior.

Subd. 6. **Project selection; criteria and priorities.** The commissioner must establish a competitive project evaluation and selection process. The process must include criteria and prioritization of projects based on:

(1) the extent to which the project addresses gaps, deficiencies, or barriers in a statewide electric vehicle network or in electric vehicle adoption, including but not limited to:

(i) highway corridors that provide connections between rural communities and from rural communities to metropolitan areas; and

(ii) key destinations within a community;

(2) the extent of predicted use of the electric vehicle infrastructure or electric vehicles;

(3) partnerships with private entities;

(4) the commitment of funds or in-kind assistance for the project, or for a directly related project, from private sources;

(5) for an electric vehicle infrastructure project, coordination with other anticipated private electric vehicle infrastructure development;

(6) benefits to communities that are:

(i) historically or currently underrepresented in transportation planning or infrastructure development and maintenance; or

(ii) disproportionately impacted by environmental impacts from the transportation sector;

(7) geographic balance as required under subdivision 7, paragraph (b);

(8) alignment with industry technical standards and protocols; and

(9) criteria as determined by the commissioner.

Subd. 7. **Award requirements.** (a) A financial assistance award may not exceed 80 percent of a project's total estimated costs.

(b) The commissioner must ensure that financial assistance is provided in a manner that is balanced and equitable throughout the state, including with respect to (1) the number of projects funded in a particular geographic location or region of the state, and (2) the total amount of financial assistance provided for projects in a particular geographic location or region of the state.

Subd. 8. **Use of funds.** (a) The following are permissible uses of financial assistance awarded under the program:

(1) planning, market assessment, and other analysis activities related to electric vehicle infrastructure or electric vehicles;

(2) project development, environmental analysis, property acquisition, construction, and capital maintenance of electric vehicle infrastructure; and

(3) incremental costs for passenger and light-duty electric vehicles, including procurement and ongoing maintenance.

(b) Electric vehicle infrastructure and electric vehicles for which financial assistance is awarded must be owned by an eligible recipient under the program, support an electric vehicle fleet of an eligible recipient, or support publicly available charging stations or battery exchange stations.

Sec. 65. Minnesota Statutes 2020, section 174.50, subdivision 6d, is amended to read:

Subd. 6d. **Major local bridges.** ~~For an appropriation made specifically for purposes of this subdivision, (a) The commissioner may make grants pursuant to this subdivision only if an enacted appropriation specifically references this specific subdivision. The commissioner must not make grants pursuant to this subdivision if an enacted appropriation references this section generally.~~

(b) When authorized as provided in paragraph (a), the commissioner may make a grant under this section to any political subdivision for replacement or rehabilitation of a major local bridge in which the grant award is with a total bridge cost estimate of \$7,000,000 or more. If in any year money appropriated for local bridge replacement and rehabilitation projects under this subdivision remains available after all identified and eligible projects under this subdivision have been funded, the commissioner may use remaining funds to make grants under this section for replacement or rehabilitation projects with a total bridge cost estimate of less than \$7,000,000.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies to grants made on or after that date.

Sec. 66. Minnesota Statutes 2020, section 174.50, subdivision 7, is amended to read:

Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation shall develop rules, procedures for application for grants, conditions of grant administration, standards, and criteria as provided under subdivision 6, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. Grants under this section are subject to the procedures and criteria established in this subdivision and in subdivisions 5 and 6.

(b) The maximum use of standardized bridges is encouraged. Regardless of the size of the existing bridge, a bridge or replacement bridge is eligible for assistance from the state transportation fund if a hydrological survey indicates that the bridge or replacement bridge must be ten feet or more in length.

(c) As part of the standards or rules, the commissioner shall, in consultation with local road authorities, establish a minimum distance between any two bridges that cross over the same river, stream, or waterway, so that only one of the bridges is eligible for a grant under this section. As appropriate, the commissioner may establish exceptions from the minimum distance requirement or procedures for obtaining a variance.

(d) Political subdivisions may use grants made under this section to construct or reconstruct bridges, including but not limited to:

(1) matching federal aid grants to construct or reconstruct key bridges;

(2) paying the costs to abandon an existing bridge that is deficient and in need of replacement but where no replacement will be made; and

(3) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge if the commissioner determines that the bridge is deficient, and that construction of the road or street is more economical than replacement of the existing bridge.

(e) Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the Minnesota Constitution.

~~(f) Except as provided in subdivision 6d, the commissioner is prohibited from awarding a grant under this section for a local bridge replacement or rehabilitation project with a total project cost estimate of \$7,000,000 or more. The commissioner must maintain a local bridge project list that includes every local bridge replacement or rehabilitation project which has approved plans.~~

The list must include the total bridge cost estimate for each project. The commissioner must update this list annually. The commissioner must publish the list on the department's website.

~~(g) Notwithstanding paragraph (f), the commissioner may award a grant under this section for a portion of a local bridge replacement or rehabilitation project with a total project cost estimate of \$7,000,000 or more if every other local bridge replacement or rehabilitation project on the commissioner's priority list with a total project cost estimate of less than \$7,000,000 has been fully funded. The commissioner is prohibited from awarding a grant of \$7,000,000 or more under this section for a local bridge replacement or rehabilitation project, except:~~

(1) for major local bridges as provided in subdivision 6d; or

(2) if every other local bridge replacement or rehabilitation project with a total bridge cost estimate of \$7,000,000 or less on the local bridge project list required in paragraph (f) has been fully funded.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies to grants made on or after that date.

Sec. 67. Minnesota Statutes 2020, section 174.50, is amended by adding a subdivision to read:

Subd. 8. **Total bridge cost estimate; definition.** For purposes of this section, a "total bridge cost estimate" includes the costs for the work directly relating only to the bridge itself.

Sec. 68. Minnesota Statutes 2020, section 174.56, subdivision 1, is amended to read:

Subdivision 1. **Report required.** (a) The commissioner of transportation shall submit a report by December 15 of each year on (1) the status of major highway projects completed during the previous two years or under construction or planned during the year of the report and for the ensuing 15 years, (2) trunk highway fund expenditures, and (3) ~~beginning with the report due in 2016,~~ efficiencies achieved during the previous two fiscal years.

(b) For purposes of this section, a "major highway project" is a highway project that has a total cost for all segments that the commissioner estimates at the time of the report to be at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000 in any nonmetropolitan highway construction district.

Sec. 69. **[174.58] STATE ROAD CONSTRUCTION PRIOR APPROPRIATIONS.**

(a) For purposes of this section, "biennium" has the meaning given in section 16A.011, subdivision 6.

(b) An appropriation to the commissioner of transportation for the state road construction budget activity in any prior fiscal year is available to the commissioner in the current fiscal year only to the extent that the commissioner spends the money on the state road construction project for which the money was first encumbered during the biennium in which it was originally appropriated.

Sec. 70. Minnesota Statutes 2020, section 219.015, subdivision 1, is amended to read:

Subdivision 1. **Positions Program established; inspector powers and duties.** (a) The commissioner of transportation ~~shall~~ must establish ~~three~~ a state rail safety inspector positions in the Office of Freight and Commercial Vehicle Operations of the Minnesota Department of Transportation. ~~On or after July 1, 2015, the~~

~~commissioner may establish a fourth state rail safety inspector position following consultation with railroad companies inspection program that may include state rail safety inspectors and supervision as determined by the commissioner.~~ The commissioner shall apply to and enter into agreements with the Federal Railroad Administration (FRA) of the United States Department of Transportation to participate in the federal State Rail Safety Participation Program for training and certification of an inspector to train and certify inspectors under authority of United States Code, title 49, sections 20103, 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

(b) A state rail safety inspector ~~shall~~ may:

- (1) inspect mainline track, secondary track, and yard and industry track;
- (2) inspect railroad right-of-way, including adjacent or intersecting drainage, culverts, bridges, overhead structures, and traffic and other public crossings;
- (3) inspect yards and physical plants;
- (4) inspect train equipment;
- (5) inspect railroad operations;
- (6) inspect railroad-highway grade crossings;
- (7) inspect railroad signal and train control systems;
- (8) review and enforce safety requirements;
- (9) review maintenance and repair records; and
- (10) review railroad security measures.

(c) A state rail safety inspector may perform, but is not limited to, the duties described in the federal State Rail Safety Participation Program. An inspector may train, be certified, and participate in any of the federal State Rail Safety Participation Program disciplines, including: track, signal and train control, motive power and equipment, operating practices compliance, hazardous materials, and highway-rail grade crossings.

(d) To the extent delegated by the Federal Railroad Administration and authorized by the commissioner, an inspector may issue citations for violations of this chapter, or to ensure railroad employee and public safety and welfare.

Sec. 71. Minnesota Statutes 2020, section 219.015, subdivision 2, is amended to read:

Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided in this subdivision, the commissioner shall annually assess railroad companies that are (1) defined as common carriers under section 218.011; (2) classified by federal law or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II Carriers; and (3) operating in this state.

(b) The assessment must be ~~by a division of~~ calculated to allocate state rail safety ~~inspector~~ inspection program costs ~~in equal proportion between~~ proportionally among carriers based on route miles operated in Minnesota; ~~assessed in equal amounts for 365 days of the calendar year at the time of assessment.~~ The commissioner ~~shall~~ must include in the assessment calculation all start-up or re-establishment costs, all related costs of initiating the state rail safety inspector inspection program costs to support up to six rail safety inspector positions, including but not limited to salary, administration, supervision, travel, equipment, training, and ongoing state rail inspector duties.

(c) The assessments collected under this subdivision must be deposited in a ~~special account in the special revenue fund, to be known as the~~ state rail safety inspection account, which is established in the special revenue fund. The account consists of funds provided by this subdivision and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is appropriated to the commissioner ~~for the establishment and ongoing responsibilities of~~ to administer the state rail safety ~~inspector~~ inspection program.

Sec. 72. Minnesota Statutes 2020, section 219.1651, is amended to read:

219.1651 GRADE CROSSING SAFETY ACCOUNT.

A Minnesota grade crossing safety account is created in the special revenue fund, consisting of money credited to the account by law. Money in the account is appropriated to the commissioner of transportation for rail-highway grade crossing safety projects on public streets and highways, including engineering costs and other costs associated with administration and delivery of grade crossing safety projects. At the discretion of the commissioner of transportation, money in the account at the end of each biennium may cancel to the trunk highway fund.

Sec. 73. Minnesota Statutes 2020, section 296A.083, subdivision 2, is amended to read:

Subd. 2. **Debt service forecast.** On ~~June 30, 2008, and each March 1 thereafter~~ April 1 each year, the commissioner of management and budget shall report to the commissioner of revenue on trunk highway debt service. The report must include the annual amount of revenue from the surcharge previously deposited in the trunk highway fund, and a forecast of the total and annual amounts necessary to pay the remaining debt service.

Sec. 74. Minnesota Statutes 2020, section 297A.64, subdivision 5, is amended to read:

Subd. 5. **Payment of excess fees.** (a) On the first sales tax return due following the end of a calendar year during which a lessor has imposed a fee under subdivision 2, the lessor shall report to the commissioner of revenue, in the form required by the commissioner, the amount of the fee collected during the previous year and the amount of motor vehicle registration taxes paid during the previous year by the lessor under chapter 168 on vehicles subject to the fee under this section.

(b) If the amount of the fees collected exceeds the amount of motor vehicle registration taxes paid, the lessor shall remit the excess to the commissioner of revenue at the time the report is submitted.

(c) Notwithstanding paragraph (b), for fee collections in calendar years 2021 through 2025, the lessor may retain any excess fees collected such that the total retained under this paragraph does not exceed the shortfall amount. For purposes of this paragraph, "shortfall amount" means the greater of (1) zero, or (2) the total motor vehicle registration taxes paid in calendar year 2020, less the total collected by the lessor in 2020 from the fee imposed under subdivision 2.

Sec. 75. Minnesota Statutes 2020, section 299A.55, subdivision 3, is amended to read:

Subd. 3. **Allocation of funds.** (a) Subject to funding appropriated for this subdivision, the commissioner shall provide funds for training and response preparedness related to (1) derailments, discharge incidents, or spills involving trains carrying oil or other hazardous substances, and (2) pipeline discharge incidents or spills involving oil or other hazardous substances.

(b) The commissioner shall allocate available funds as follows:

(1) \$100,000 annually for emergency response teams; and

(2) the remaining amount to the Board of Firefighter Training and Education under section 299N.02 and the Division of Homeland Security and Emergency Management.

(c) Prior to making allocations under paragraph (b), the commissioner shall consult with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

(d) The commissioner and the entities identified in paragraph (b), clause (2), shall prioritize uses of funds based on:

(1) firefighter training needs;

(2) community risk from discharge incidents or spills;

(3) geographic balance; ~~and~~

(4) risks to the general public; and

(5) recommendations of the Fire Service Advisory Committee.

(e) The following are permissible uses of funds provided under this subdivision:

(1) training costs, which may include, but are not limited to, training curriculum, trainers, trainee overtime salary, other personnel overtime salary, and tuition;

(2) costs of gear and equipment related to hazardous materials readiness, response, and management, which may include, but are not limited to, original purchase, maintenance, and replacement;

(3) supplies related to the uses under clauses (1) and (2); ~~and~~

(4) emergency preparedness planning and coordination;

(5) grants to local community organizations as provided in subdivision 3a; and

(6) community education and outreach.

(f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline safety account provided for the purposes under this subdivision, the commissioner may retain a balance in the account for budgeting in subsequent fiscal years.

Sec. 76. Minnesota Statutes 2020, section 299A.55, is amended by adding a subdivision to read:

Subd. 3a. **Community-based preparedness.** A local community organization or entity, however organized, may receive a grant under this section to engage in community-based emergency preparedness and response planning activities. Eligible uses of the funds include but are not limited to:

(1) incident response or readiness planning that is community-specific and focused on response actions by the general public;

(2) stakeholder engagement on derailments and hazardous substance discharge incidents; and

(3) entering into an agreement with a technical adviser for informational, planning, or other technical assistance to the local community organization or entity.

Sec. 77. Minnesota Statutes 2020, section 299D.03, subdivision 5, is amended to read:

Subd. 5. **Traffic fines and forfeited bail money.** (a) All fines and forfeited bail money collected from persons apprehended or arrested by officers of the State Patrol shall be transmitted by the person or officer collecting the fines, forfeited bail money, or installments thereof, on or before the tenth day after the last day of the month in which these moneys were collected, to the commissioner of management and budget. Except where a different disposition is required in this subdivision or section 387.213, or otherwise provided by law, three-eighths of these receipts must be deposited in the state treasury and credited to the state general fund. The other five-eighths of these receipts must be deposited in the state treasury and credited as follows: (1) the first ~~\$1,000,000~~ \$2,500,000 in each fiscal year must be credited to the Minnesota grade crossing safety account in the special revenue fund, and (2) remaining receipts must be credited to the state trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be deposited in the state treasury and credited to the state general fund, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be deposited in the state treasury and credited to the Minnesota grade crossing safety account or the state trunk highway fund as provided in this paragraph. When section 387.213 also is applicable to the fine, section 387.213 shall be applied before this paragraph is applied. All costs of participation in a nationwide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) All fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by these employees, shall be transmitted by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the commissioner of management and budget. Five-eighths of these receipts shall be deposited in the state treasury and credited to the state highway user tax distribution fund. Three-eighths of these receipts shall be deposited in the state treasury and credited to the state general fund.

Sec. 78. Minnesota Statutes 2020, section 325E.15, is amended to read:

325E.15 TRANSFER OF MOTOR VEHICLE; MILEAGE DISCLOSURE.

No person shall transfer a motor vehicle without disclosing ~~in writing~~ to the transferee the true mileage registered on the odometer reading or that the actual mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. The regulations contained in Code of Federal Regulations, title 49, sections 580.1 to 580.17, ~~as amended through October 1, 1998, implementing title IV of the Federal Motor Vehicle Information and Cost Savings Act~~ that implement odometer disclosure requirements and prescribe the manner in which electronic or written disclosure must be made in this state ~~and~~ are adopted by reference. No transferor shall violate any regulations adopted under this section or knowingly give a false statement to a transferee in making any disclosure required by the regulations.

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

Sec. 79. **[345.16] STATE; UNCLAIMED PROPERTY; DISPOSITION; DUTY OF STATE PATROL.**

Subdivision 1. State Patrol seizure. A State Patrol trooper may seize and retain any personal property abandoned upon any public highway right-of-way, other public premises, or other state-owned property.

Subd. 2. Notice. Notice by the State Patrol of lost or abandoned property in its possession must be made to the rightful owner, if the owner is known, by certified mail. The rightful owner may reclaim the property within 90 days of notice after paying any expenses incurred by the agency for processing and retaining such property.

Subd. 3. **Disposal.** Unclaimed property may be sold at public sale, disposed of as state surplus property, or destroyed based on the agency's judgment of the property's condition and value.

Subd. 4. **Money.** All lost or abandoned money and the proceeds from the sale of other abandoned or lost property retained by the State Patrol pursuant to this section must be deposited into the general fund.

Sec. 80. Minnesota Statutes 2020, section 360.012, is amended by adding a subdivision to read:

Subd. 1a. **Ordinances of political subdivisions.** A political subdivision must: (1) allow the commissioner to review a proposed ordinance affecting the operation of an unmanned aircraft; and (2) notify the commissioner whenever the political subdivision adopts an ordinance affecting the operation of unmanned aircraft.

Sec. 81. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision to read:

Subd. 57a. **Small unmanned aircraft.** "Small unmanned aircraft" means an aircraft, as defined in subdivision 37, that weighs less than 55 pounds and is operated without the possibility of human intervention from within or on the aircraft.

Sec. 82. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision to read:

Subd. 57b. **Small unmanned aircraft system.** "Small unmanned aircraft system" means a small unmanned aircraft and all of its associated elements, including components and communication links, that are required to control and operate the aircraft.

Sec. 83. Minnesota Statutes 2020, section 360.55, is amended by adding a subdivision to read:

Subd. 9. **Small unmanned aircraft systems.** (a) Any small unmanned aircraft system in which the unmanned aircraft weighs less than 55 pounds at takeoff, including payload and anything affixed to the aircraft, either:

(1) must be registered in the state for an annual fee of \$25; or

(2) is not subject to registration or an annual fee if the unmanned aircraft system is owned and operated solely for recreational purposes.

(b) An unmanned aircraft system that meets the requirements under paragraph (a) is exempt from aircraft registration tax under sections 360.511 to 360.67.

Sec. 84. Minnesota Statutes 2020, section 360.59, subdivision 10, is amended to read:

Subd. 10. **Certificate of insurance.** (a) Every owner of aircraft in this state when applying for registration, reregistration, or transfer of ownership shall supply any information the commissioner reasonably requires to determine that the aircraft during the period of its contemplated operation is covered by an insurance policy with limits of not less than \$100,000 per passenger seat liability both for passenger bodily injury or death and for property damage; not less than \$100,000 for bodily injury or death to each nonpassenger in any one accident; and not less than \$300,000 per occurrence for bodily injury or death to nonpassengers in any one accident. The insurance must comply with section 60A.081, unless that section is inapplicable under section 60A.081, subdivision 3.

The information supplied to the commissioner must include but is not limited to the name and address of the owner, the period of contemplated use or operation, if any, and, if insurance coverage is then presently required, the name of the insurer, the insurance policy number, the term of the coverage, policy limits, and any other data the commissioner requires. No certificate of registration shall be issued pursuant to subdivision 3 in the absence of the information required by this subdivision.

(b) In the event of cancellation of aircraft insurance by the insurer, the insurer shall notify the Department of Transportation at least ten days prior to the date on which the insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed with the department meeting the requirements of this subdivision during the period of the aircraft's contemplated use or operation, the registration certificate for the aircraft shall be revoked forthwith.

(c) Nothing in this subdivision shall be construed to require an owner of aircraft to maintain passenger seat liability coverage on aircraft for which an experimental certificate has been issued by the administrator of the Federal Aviation Administration pursuant to Code of Federal Regulations, title 14, sections 21.191 to 21.195 and ~~91.42~~ 91.319, whereunder persons operating the aircraft are prohibited from carrying passengers in the aircraft or for an unmanned aircraft. Whenever the aircraft becomes certificated to carry passengers, passenger seat liability coverage shall be required as provided in this subdivision.

(d) The requirements of this subdivision shall not apply to any aircraft built by the original manufacturer prior to December 31, 1939, and owned and operated solely as a collector's item, if the owner files an affidavit with the commissioner. The affidavit shall state the owner's name and address, the name and address of the person from whom the aircraft was purchased, the make, year, and model number of the aircraft, the federal aircraft registration number, the manufacturer's identification number, and that the aircraft is owned and operated solely as a collector's item and not for general transportation purposes.

(e) A small unmanned aircraft system that meets the requirements of section 360.55, subdivision 9, is not subject to the requirements under paragraphs (a) and (b). Owners of small unmanned aircraft systems that meet the requirements of section 360.55, subdivision 9, must, at the time of registration, provide proof of insurability in a form acceptable to the commissioner. Additionally, such operators must maintain records and proof that each flight was insured for the limits established in paragraph (a).

Sec. 85. Minnesota Statutes 2020, section 473.39, is amended by adding a subdivision to read:

Subd. 1w. **Obligations.** In addition to other authority in this section, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$98,400,000 for capital expenditures as prescribed in the council's transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations. Of this authorization, after July 1, 2021, the council may issue certificates of indebtedness, bonds, or other obligations in an amount not exceeding \$48,400,000, and after July 1, 2022, the council may issue certificates of indebtedness, bonds, or other obligations in an additional amount not exceeding \$50,000,000.

Sec. 86. Minnesota Statutes 2020, section 473.391, is amended by adding a subdivision to read:

Subd. 3. **Air quality, emissions, and bus deployment.** (a) The council must coordinate with the commissioner of the Pollution Control Agency to identify locales in the metropolitan area with poor air quality. The analysis may use modeling based on air quality monitoring data and must use the highest level of detail available. The council must categorize each bus in its fleet based on estimated or measured air quality impacts from vehicle emissions.

(b) For regular route bus service, excluding arterial or highway bus rapid transit, the council must deploy buses with the lowest emissions on routes that serve locales with poor air quality.

(c) Analysis under this subdivision must be revised at least once every three years.

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

Sec. 87. **[473.3927] ZERO-EMISSION TRANSIT VEHICLES.**

Subdivision 1. **Transition plan required.** (a) The council must develop and maintain a zero-emission transit vehicle transition plan that contains a goal of deploying zero-emission vehicles in 100 percent of the council's transit fleet by 2040.

(b) The council must complete the initial plan by February 15, 2022, and revise the plan at least once every five years.

Subd. 2. **Plan development.** At a minimum, the plan must:

(1) establish implementation policies and guidance;

(2) set transition milestones or performance measures, or both, which may include vehicle procurement goals over the transition period;

(3) identify barriers, constraints, and risks, and determine objectives and strategies to address the issues identified;

(4) consider findings and best practices from other transit agencies;

(5) analyze zero-emission transit vehicle technology impacts, including cold weather operation and emerging technologies;

(6) provide detailed estimates of implementation costs; and

(7) summarize updates to the plan from the most recent version.

Subd. 3. **Copy to legislature.** Upon completion or revision of the plan, the council must provide a copy to the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation policy and finance.

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

Sec. 88. **[473.4075] TRANSIT SAFETY REPORTING.**

(a) By February 15 annually, the council must submit a report on transit safety and administrative citations to the members and staff of the legislative committees with jurisdiction over transportation policy and finance.

(b) At a minimum, the report must:

(1) provide an overview of transit safety issues and actions taken by the council to improve safety;

(2) provide an overview of administrative citations under section 609.855, subdivision 8, including a summary of implementation and analysis of impacts of the program on fare compliance and customer experience for riders;

(3) for each of the previous three calendar years, provide data and statistics on:

(i) crime rates occurring on public transit vehicles and at transit stops and stations;

(ii) the number of warnings and criminal citations issued by the Metropolitan Transit Police, with a breakout by categorized reasons for a warning or citation; and

(iii) the number of administrative citations issued, with a breakout by issuance by peace officers, community service officers, and other authorized nonsworn personnel;

(4) for each of the previous three calendar years, state the number of peace officers employed by the Metropolitan Transit Police Department;

(5) state the average number of peace officers employed by the Metropolitan Transit Police Department for the previous three calendar years; and

(6) make recommendations on how to improve safety on public transit and transit stops and stations, and for legislative changes, if any.

Sec. 89. Minnesota Statutes 2020, section 480.15, is amended by adding a subdivision to read:

Subd. 8a. Motor vehicle charges and conviction data; report. The court administrator shall collect, compile, and report the data on (1) charges and convictions for driving after suspension or revocation, and (2) payment of fines for violations related to operation of a motor vehicle, as required under section 171.325.

Sec. 90. Minnesota Statutes 2020, section 609.855, subdivision 1, is amended to read:

Subdivision 1. **Unlawfully obtaining services; misdemeanor.** (a) A person is guilty of a misdemeanor who intentionally obtains or attempts to obtain service for himself, herself, or another person from a provider of public transit or from a public conveyance by doing any of the following:

(1) occupies or rides in any public transit vehicle without paying the applicable fare or otherwise obtaining the consent of the transit provider including:

(i) the use of a reduced fare when a person is not eligible for the fare; or

(ii) the use of a fare medium issued solely for the use of a particular individual by another individual;

(2) presents a falsified, counterfeit, photocopied, or other deceptively manipulated fare medium as fare payment or proof of fare payment;

(3) sells, provides, copies, reproduces, or creates any version of any fare medium without the consent of the transit provider; or

(4) puts or attempts to put any of the following into any fare box, pass reader, ticket vending machine, or other fare collection equipment of a transit provider:

(i) papers, articles, instruments, or items other than fare media or currency; or

(ii) a fare medium that is not valid for the place or time at, or the manner in, which it is used.

(b) Where self-service barrier-free fare collection is utilized by a public transit provider, it is a violation of this subdivision to intentionally fail to exhibit proof of fare payment upon the request of an authorized transit representative when entering, riding upon, or leaving a transit vehicle or when present in a designated paid fare zone located in a transit facility.

Sec. 91. Minnesota Statutes 2020, section 609.855, subdivision 7, is amended to read:

Subd. 7. **Definitions.** (a) The definitions in this subdivision apply in this section.

(b) "Public transit" or "transit" has the meaning given in section 174.22, subdivision 7.

(c) "Public transit vehicle" or "transit vehicle" means any vehicle used for the purpose of providing public transit, whether or not the vehicle is owned or operated by a public entity.

(d) "Public transit facilities" or "transit facilities" means any vehicles, equipment, property, structures, stations, improvements, plants, parking or other facilities, or rights that are owned, leased, held, or used for the purpose of providing public transit, whether or not the facility is owned or operated by a public entity.

(e) "Fare medium" means a ticket, smart card, pass, coupon, token, transfer, or other medium sold or distributed by a public transit provider, or its authorized agents, for use in gaining entry to or use of the public transit facilities or vehicles of the provider.

(f) "Proof of fare payment" means a fare medium valid for the place or time at, or the manner in, which it is used. If using a reduced-fare medium, proof of fare payment also includes proper identification demonstrating a person's eligibility for the reduced fare. If using a fare medium issued solely for the use of a particular individual, proof of fare payment also includes an identification document bearing a photographic likeness of the individual and demonstrating that the individual is the person to whom the fare medium is issued.

(g) "Authorized transit representative" means the person authorized by the transit provider to operate the transit vehicle, a peace officer, or any other person designated by the transit provider as an authorized transit ~~provider~~ representative under this section.

Sec. 92. Minnesota Statutes 2020, section 609.855, is amended by adding a subdivision to read:

Subd. 8. **Administrative citations.** (a) Subject to requirements established by the Metropolitan Council, the council may issue an administrative citation to a person who commits a violation under subdivision 1, paragraph (a), clause (1), if the violation occurs in a council transit vehicle or transit facility in the metropolitan area, as defined in section 473.121, subdivision 2, or, in the case of commuter rail service, the violation occurs in a council commuter vehicle or commuter facility in any corridor that is located in whole or in part in the metropolitan area.

(b) Transit fare compliance may be enforced and administrative citations may be issued by peace officers of the council's Metropolitan Transit Police and by community service officers or other nonsworn personnel as authorized by the council.

(c) Issuance of an administrative citation prevents imposition of a misdemeanor citation under subdivision 1, paragraph (a), clause (1).

(d) A person who is issued an administrative citation under this subdivision must, within 90 days of issuance, pay a fine as determined by the council. The council must set the amount of the fine at no less than \$35. The council may establish an escalating fine structure for persons who fail to pay administrative fines or repeatedly violate subdivision 1, paragraph (a), clause (1).

(e) The council may adopt an alternative resolution procedure under which a person may resolve an administrative citation in lieu of paying a fine by complying with terms established by the council for community service, prepayment of future transit fares, or both. The alternative resolution procedure must be available only to a person who has committed a violation under subdivision 1, paragraph (a), clause (1), for the first time, unless the person demonstrates financial hardship under criteria established by the council.

(f) A person who fails to either pay the fine or contest the citation within the specified period is considered to have waived the contested citation process and is subject to collections, including collection costs.

(g) The council must provide a civil process that allows a person to contest an administrative citation before a neutral third party. The council may employ a person not associated with its transit operations or enter into an agreement with another unit of government to hear and rule on challenges to administrative citations.

(h) The council must collect and maintain fines under this subdivision in a separate account that is only used to cover costs under this section.

(i) An administrative citation must include notification that the person has the right to contest the citation, basic procedures for contesting the citation, and information on the timeline and consequences related to the citation.

(j) The council must not mandate or suggest a quota for the issuance of administrative citations under this section.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to violations committed on or after that date. This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, and Washington.

Sec. 93. Laws 2012, chapter 287, article 3, section 2, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ~~ten~~ 20 construction manager/general contractor contracts.

Sec. 94. Laws 2012, chapter 287, article 3, section 3, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ~~ten~~ 20 construction manager/general contractor contracts.

Sec. 95. Laws 2012, chapter 287, article 3, section 4, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ~~ten~~ 20 construction manager/general contractor contracts.

Sec. 96. Laws 2013, chapter 143, article 9, section 20, is amended to read:

Sec. 20. **CITY OF MINNEAPOLIS; STREETCAR TRANSIT PROJECT FINANCING.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

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

(c) "County" means Hennepin County.

(d) "District" means the areas certified by the city under subdivision 2 for collection of value capture taxes.

(e) "Project area" means the area including one city block on either side of a ~~streetcar~~ transit line designated by the city to serve the downtown and adjacent neighborhoods of the city.

(f) "Transit line" includes any of the following: a busway and a guideway, as the terms are defined in Minnesota Statutes, section 473.4485, subdivision 1, and regular route bus service.

Subd. 2. **Authority to establish district.** (a) The governing body of the city may, by resolution, establish a value capture district consisting of some or all of the taxable parcels located within one or more of the following areas of the city, as described in the resolution:

(1) the area bounded by Nicollet Avenue on the west, 16th Street East on the south, First Avenue South on the east, and 14th Street East on the north;

(2) the area bounded by Spruce Place on the west, 14th Street West on the south, LaSalle Avenue on the east, and Grant Street West on the north;

(3) the area bounded by Nicollet Avenue or Mall on the west, Fifth Street South on the south, Marquette Avenue on the east, and Fourth Street South on the north;

(4) the area bounded by First Avenue North on the west, Washington Avenue on the south, Hennepin Avenue on the east, and Second Street North on the north; and

(5) the area bounded by Fifth Street North East on the west, Central Avenue North East on the southeast, Sixth Street North East on the east, Hennepin Avenue East on the south, and First Avenue North East on the north.

(b) The city may establish the district and the project area only after holding a public hearing on its proposed creation after publishing notice of the hearing and the proposal at least once not less than ten days nor more than 30 days before the date of the hearing.

Subd. 3. **Calculation of value capture district; administrative provisions.** (a) If the city establishes a value capture district under subdivision 2, the city shall request the county auditor to certify the district for calculation of the district's tax revenues.

(b) For purposes of calculating the tax revenues of the district, the county auditor shall treat the district as if it were a request for certification of a tax increment financing district under the provisions of Minnesota Statutes, section 469.177, subdivision 1, and shall calculate the tax revenues of the district for each year of its duration under subdivision 5 as equaling the amount of tax increment that would be computed by applying the provisions of Minnesota Statutes, section 469.177, subdivisions 1, 2, and 3, to determine captured tax capacity and multiplying by the current tax rate, excluding the state general tax rate. The city shall provide the county auditor with the necessary information to certify the district, including the option for calculating revenues derived from the areawide tax rate under Minnesota Statutes, chapter 473F.

(c) The county auditor shall pay to the city at the same times provided for settlement of taxes and payment of tax increments the tax revenues of the district. The city must use the tax revenues as provided under subdivision 4.

Subd. 4. **Permitted uses of district tax revenues.** (a) In addition to paying for reasonable administrative costs of the district, the city may spend tax revenues of the district for property acquisition, improvements, and equipment to be used for operations within the project area, along with related costs, for:

(1) planning, design, and engineering services related to the construction of the ~~streetcar~~ transit line;

(2) acquiring property for, constructing, and installing a ~~streetcar~~ the transit line;

(3) acquiring and maintaining equipment and rolling stock and related facilities, such as maintenance facilities, which need not be located in the project area;

(4) acquiring, constructing, or improving transit stations; and

(5) acquiring or improving public space, including the construction and installation of improvements to streets and sidewalks, decorative lighting and surfaces, and plantings related to the ~~streetcar~~ transit line.

(b) The city may issue bonds or other obligations under Minnesota Statutes, chapter 475, without an election, to fund acquisition or improvement of property of a capital nature authorized by this section, including any costs of issuance. The city may also issue bonds or other obligations to refund those bonds or obligations. Payment of principal and interest on the bonds or other obligations issued under this paragraph is a permitted use of the district's tax revenues.

(c) Tax revenues of the district may not be used for the operation of the ~~streetcar~~ transit line.

Subd. 5. **Duration of the district.** A district established under this section is limited to the lesser of (1) 25 years of tax revenues, or (2) the time necessary to collect tax revenues equal to the amount of the capital costs permitted under subdivision 4 or the amount needed to pay or defease bonds or other obligations issued under subdivision 4, whichever is later.

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

Sec. 97. **WORK ZONE SAFETY; ASSESSMENT AND PILOT PROGRAM DEVELOPMENT.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Automated enforcement system" means an electronic system of cameras or other sensors that is designed to automatically produce recorded images of a motor vehicle operated in violation of traffic regulations under Minnesota Statutes, chapter 169.

(c) "Commissioner" means the commissioner of transportation.

(d) "Commissioners" means the commissioner of transportation as the lead in coordination with the commissioner of public safety.

(e) "Work zone" has the meaning given in Minnesota Statutes, section 169.011, subdivision 95.

Subd. 2. Pilot program development. (a) The commissioner of transportation, in coordination with the commissioner of public safety, must perform initial development of a pilot program to enforce speeding violations through the use of automated enforcement systems in work zones and in locations where work is performed within the highway right-of-way.

(b) As provided in subdivision 5, the commissioners must submit a pilot program implementation proposal for consideration in the 2022 legislative session.

Subd. 3. Advisory group. (a) The commissioners must establish and collaborate with an advisory group to perform the work zone speed management assessment under subdivision 4 and develop the implementation proposal under subdivision 5.

(b) The advisory group must include representatives from appropriate labor organizations, contractors who operate in highway rights-of-way, law enforcement agencies, traffic safety organizations, traffic safety research entities, the League of Minnesota Cities, and the Association of Minnesota Counties.

Subd. 4. Work zone speed management assessment. (a) The commissioners must perform a work zone speed management assessment.

(b) At a minimum, the assessment must:

(1) evaluate existing legal authority for strategies, practices, and methods to reduce vehicle speeds and enhance worker safety in work zones, which may include but is not limited to use of traffic control devices, use of barriers, traffic control design modifications, and speed enforcement actions;

(2) propose a process for contractors operating in a work zone that:

(i) allows contractors to request modifications to a project's traffic control plan, in order to reduce vehicle speeds or improve worker safety in a work zone; and

(ii) establishes standards for further review by another party; and

(3) make recommendations for immediate changes in work zone safety, to be implemented starting with the remainder of the 2021 construction season.

(c) By July 31, 2021, the commissioners must complete the assessment and submit it to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

Subd. 5. **Implementation proposal.** (a) The commissioners must develop an implementation proposal for the pilot program.

(b) At a minimum, the implementation proposal must:

(1) establish a plan for the pilot program, including program design, requirements, and procedures;

(2) analyze and propose recommendations on implementation, including:

(i) reviewing legal barriers and authority;

(ii) proposing a fine or assessment and the disposition of revenue, for violations identified by automated enforcement systems;

(iii) specifying how the general public will be notified about automated speed enforcement activities prior to and during use of automated enforcement equipment; and

(iv) addressing other policy considerations;

(3) identify resources that are needed and available to implement the pilot program and propose methods to address any resource gaps;

(4) determine how automated enforcement will augment ongoing traffic and speed compliance efforts;

(5) identify and assess locations for automated enforcement, which must include work zones and other locations where work is scheduled to be performed within the highway right-of-way;

(6) develop performance measures to evaluate traffic safety impacts;

(7) identify a pilot program evaluation process as provided in subdivision 6; and

(8) propose enabling legislation as necessary for pilot program implementation.

(c) By February 1, 2022, the commissioners must complete the implementation proposal and submit it to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

Subd. 6. **Evaluation process.** (a) As part of the implementation proposal under subdivision 5, the commissioners must prepare for an independent evaluation of pilot program operations and impacts. The evaluation must be performed by a nonprofit transportation research entity from outside the Departments of Transportation and Public Safety.

(b) At a minimum, the evaluation must:

(1) analyze the effectiveness of automated enforcement systems in lowering travel speeds, reducing speed differentials, and meeting any other safety or performance measures identified in the pilot program plan;

(2) perform statistical analysis of traffic speeds, intrusions, crashes, near miss incidents, injuries, and fatalities;

(3) identify any changes in traffic congestion attributable to automated enforcement systems; and

(4) analyze financial impacts of (i) the pilot program, and (ii) potential ongoing implementation of automated enforcement systems.

(c) If a pilot program is implemented, the commissioner must complete preliminary evaluations by November 1 annually in each year of field operations and must complete the final evaluation by November 1 in the concluding year of field operations. Upon completion of each preliminary evaluation and the final evaluation, the commissioner must submit a copy to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

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

Sec. 98. **SPEED LIMIT ON PARK ROAD.**

Notwithstanding the provisions of Minnesota Statutes, section 169.14, subdivision 5e, or any other law to the contrary, the Minneapolis Park and Recreation Board may establish a speed limit on a parkway or road under its jurisdiction that is located within a park. The speed limit must not be lower than 20 miles per hour. A speed limit established under this section is effective on erection of appropriate signs designating the speed limit and indicating the beginning and end of the reduced speed zone. Any speed in excess of the posted speed is unlawful.

EFFECTIVE DATE. This section is effective the day after the governing body of the Minneapolis Park and Recreation Board and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 99. **ANIMAL-DRAWN VEHICLES; SAFETY MANUAL.**

(a) The commissioner of public safety, in collaboration with the Department of Transportation, State Patrol, traffic safety organizations, and other interested parties, must develop and publish an animal-drawn vehicles safety manual. When developing the manual, the commissioner must evaluate similar manuals already published by other states.

(b) At a minimum, the safety manual must discuss and provide specific guidance with respect to:

(1) animal-drawn vehicle courtesy and conduct;

(2) relevant traffic regulations, including traffic signs, traffic signals, pavement markings, driving rules, and equipment requirements;

(3) an overview of how other vehicles and motorists interact with animal-drawn vehicles on the roadway;

(4) safety best practices;

(5) travel information; and

(6) any other information the commissioner deems necessary.

(c) The commissioner must publish the manual under this section on or before January 1, 2022.

(d) The manual under this section is not an administrative rule under Minnesota Statutes, chapter 14, including section 14.386. The commissioner is exempt from provisions of Minnesota Statutes, chapter 14, with respect to any activities taken under this section.

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

Sec. 100. **RETROACTIVE DRIVER'S LICENSE REINSTATEMENT.**

(a) The commissioner of public safety must make an individual's driver's license eligible for reinstatement if the license is solely suspended pursuant to:

(1) Minnesota Statutes 2020, section 169.92, subdivision 4;

(2) Minnesota Statutes 2020, section 171.16, subdivision 2, if the person was convicted only under Minnesota Statutes, section 171.24, subdivision 1 or 2;

(3) Minnesota Statutes 2020, section 171.16, subdivision 3; or

(4) any combination of clauses (1), (2), and (3).

(b) By December 1, 2021, the commissioner must provide written notice to an individual whose license has been made eligible for reinstatement under paragraph (a), addressed to the licensee at the licensee's last known address.

(c) Notwithstanding any law to the contrary, before the license is reinstated, an individual whose driver's license is eligible for reinstatement under paragraph (a) must pay a single reinstatement fee of \$20.

(d) The following applies for an individual who is eligible for reinstatement under paragraph (a) and whose license was suspended, revoked, or canceled under any other provision in Minnesota Statutes:

(1) the suspension, revocation, or cancellation under any other provision in Minnesota Statutes remains in effect;

(2) subject to clause (1), the individual may become eligible for reinstatement under paragraph (a); and

(3) the commissioner is not required to send the notice described in paragraph (b).

(e) Paragraph (a) applies notwithstanding Minnesota Statutes 2020, sections 169.92, subdivision 4; and 171.16, subdivision 2 or 3; or any other law to the contrary.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 101. **RULEMAKING; MEDICAL PROVIDERS.**

(a) The commissioner of public safety must amend Minnesota Rules, parts 7410.2500 and 7410.2800, to include a licensed physician assistant and an advanced practice registered nurse as among the medical providers authorized to complete any required medical statement or report.

(b) The commissioner may use the expedited rulemaking process under Minnesota Statutes, section 14.389, for rulemaking under this section.

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

Sec. 102. **LEGISLATIVE ROUTE NO. 263 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 194, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Martin County to transfer jurisdiction of Legislative Route No. 263 and notifies the revisor of statutes under paragraph (b).

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

Sec. 103. **LEGISLATIVE ROUTE NO. 267 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 198, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Murray County to transfer jurisdiction of Legislative Route No. 267 and notifies the revisor of statutes under paragraph (b).

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

Sec. 104. **VEHICLE REGISTRATION SELF-SERVICE KIOSK REPORT.**

By December 1, 2022, the commissioner of public safety must submit to the legislative committees with jurisdiction over transportation policy and finance a report on self-service kiosks authorized in Minnesota Statutes, section 168.0135. At a minimum, the report must include the following information:

- (1) the number of completed transactions at self-service kiosks;
- (2) the number of failed or canceled transactions at self-service kiosks;
- (3) the location of each self-service kiosk and the name of the business or entity that is operating at that address; and
- (4) any recommendations to the legislature to improve the use of self-service kiosks, including proposed legislation.

Sec. 105. **REVISOR INSTRUCTION.**

The revisor of statutes shall recodify Minnesota Statutes, section 169.92, subdivision 4, as Minnesota Statutes, section 171.16, subdivision 3a. The revisor shall correct any cross-references made necessary by this recodification.

Sec. 106. **REPEALER.**

(a) Minnesota Statutes 2020, sections 168.327, subdivision 5; and 169.09, subdivision 7, are repealed.

(b) Minnesota Rules, parts 7410.2610, subparts 1, 2, 3, 3a, 5a, 5b, and 6; and 7414.1490, are repealed.

(c) Minnesota Rules, parts 7470.0300; 7470.0400; 7470.0500; 7470.0600; and 7470.0700, are repealed."

Delete the title and insert:

"A bill for an act relating to transportation; establishing a budget for transportation; appropriating money for transportation purposes, including Department of Transportation, Metropolitan Council, and Department of Public Safety activities; authorizing the sale and issuance of state bonds; modifying prior appropriations; modifying various fees and surcharges; modifying various transportation-related tax provisions; establishing a transit sales and use tax; providing for noncompliant drivers' licenses and identification cards; establishing advisory committees; establishing accounts; modifying various provisions governing transportation policy and finance; making technical changes; requiring reports; amending Minnesota Statutes 2020, sections 13.6905, by adding a subdivision; 16A.88, subdivision 1a; 84.787, subdivision 7; 84.797, subdivision 7; 84.92, subdivision 8; 97A.055, subdivision 2; 117.075, subdivisions 2, 3; 160.02, subdivision 1a; 160.262, subdivision 3; 160.266, subdivisions 1b, as amended, 6, by adding a subdivision; 161.115, subdivision 27; 161.14, by adding subdivisions; 161.23, subdivisions 2, 2a; 161.44, subdivisions 6a, 6b; 162.145, subdivision 3; 163.07, subdivision 2; 168.002, subdivisions 10, 18; 168.013, subdivisions 1a, 1m; 168.12, subdivision 1; 168.183; 168.301, subdivision 1; 168.31, subdivision 4; 168.327, subdivisions 1, 6, by adding subdivisions; 168A.11, subdivisions 1, 2; 169.011, subdivisions 5, 9, 27, 42, by adding subdivisions; 169.035, subdivision 3; 169.09, subdivision 13; 169.18, subdivisions 3, 10; 169.222, subdivisions 1, 4, 6a, by adding a subdivision; 169.451, subdivision 3, by adding a subdivision; 169.522, subdivision 1; 169.58, by adding a subdivision; 169.812, subdivision 2; 169.92, subdivision 4; 171.04, subdivision 5; 171.06, subdivisions 2a, 3, by adding subdivisions; 171.07, subdivisions 1, 3, 15; 171.071, by adding a subdivision; 171.12, subdivisions 7a, 7b, 9, by adding a subdivision; 171.13, subdivisions 1, 6, 9; 171.16, subdivisions 2, 3, by adding a subdivision; 171.18, subdivision 1; 171.20, subdivision 4; 171.27; 171.29, subdivision 2; 174.01, by adding a subdivision; 174.03, subdivisions 1c, 12; 174.185, subdivision 3; 174.24, subdivision 7; 174.285, subdivision 5; 174.40, subdivision 5; 174.42, subdivision 2; 174.50, subdivisions 6d, 7, by adding a subdivision; 174.56, subdivision 1; 219.015, subdivisions 1, 2; 219.1651; 296A.07, subdivision 3; 296A.08, subdivision 2; 296A.083, subdivision 2; 297A.64, subdivision 5; 297A.94; 297A.99, subdivision 1; 297B.02, subdivision 1; 299A.55, subdivision 3, by adding a subdivision; 299D.03, subdivision 5; 325E.15; 360.012, by adding a subdivision; 360.013, by adding subdivisions; 360.55, by adding a subdivision; 360.59, subdivision 10; 473.39, by adding a subdivision; 473.391, by adding a subdivision; 480.15, by adding a subdivision; 609.855, subdivisions 1, 7, by adding a subdivision; Laws 2012, chapter 287, article 3, sections 2; 3; 4; Laws 2013, chapter 143, article 9, section 20; Laws 2019, First Special Session chapter 3, article 1, section 4, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 161; 168; 169; 171; 174; 297A; 345; 473; repealing Minnesota Statutes 2020, sections 168.327, subdivision 5; 169.09, subdivision 7; 171.015, subdivision 7; Minnesota Rules, parts 7410.2610, subparts 1, 2, 3, 3a, 5a, 5b, 6; 7414.1490; 7470.0300; 7470.0400; 7470.0500; 7470.0600; 7470.0700."

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

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1761, A bill for an act relating to courts; prohibiting revocation of probation for certain violations unless the person poses a risk to public safety; amending Minnesota Statutes 2020, sections 244.195, subdivision 2; 401.025, subdivision 1; 609.14, subdivision 1, by adding a subdivision.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Nelson, M., from the Committee on State Government Finance and Elections to which was referred:

H. F. No. 1952, A bill for an act relating to state government; changing a provision for the Legislative Reference Library; amending Minnesota Statutes 2020, section 3.302, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
STATE GOVERNMENT APPROPRIATIONS

Section 1. **STATE GOVERNMENT APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>
Sec. 2. <u>LEGISLATURE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$97,415,000</u>	<u>\$98,222,000</u>
<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
Subd. 2. <u>Senate</u>	<u>35,654,000</u>	<u>35,654,000</u>
Subd. 3. <u>House of Representatives</u>	<u>39,932,000</u>	<u>40,431,000</u>
Subd. 4. <u>Legislative Coordinating Commission</u>	<u>21,829,000</u>	<u>22,137,000</u>

From its funds, \$10,000 each year is for purposes of the legislators' forum, through which Minnesota legislators meet with counterparts from South Dakota, North Dakota, and Manitoba to discuss issues of mutual concern.

Legislative Auditor. \$7,876,000 the first year and \$8,007,000 the second year are for the Office of the Legislative Auditor.

Revisor of Statutes. \$7,298,000 the first year and \$7,419,000 the second year are for the Office of the Revisor of Statutes.

Legislative Reference Library. \$1,793,000 the first year and \$1,822,000 the second year are for the Legislative Reference Library.

Legislative Budget Office. \$1,536,000 the first year and \$1,570,000 the second year are for the Legislative Budget Office.

Sec. 3. **GOVERNOR AND LIEUTENANT GOVERNOR**

\$3,622,000

\$3,622,000

(a) This appropriation is to fund the Office of the Governor and Lieutenant Governor.

(b) \$19,000 each year are for necessary expenses in the normal performance of the governor's and lieutenant governor's duties for which no other reimbursement is provided.

(c) By September 1 of each year, the commissioner of management and budget shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over state government finance any personnel costs incurred by the Offices of the Governor and Lieutenant Governor that were supported by appropriations to other agencies during the previous fiscal year. The Office of the Governor shall inform the chairs and ranking minority members of the committees before initiating any interagency agreements.

Sec. 4. **STATE AUDITOR**

\$12,053,000

\$12,152,000

Sec. 5. **ATTORNEY GENERAL**

\$33,530,000

\$31,086,000

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	30,614,000	28,170,000
<u>State Government Special</u>		
<u>Revenue</u>	2,521,000	2,521,000
<u>Environmental</u>	145,000	145,000
<u>Remediation</u>	250,000	250,000

Sec. 6. **SECRETARY OF STATE****\$8,710,000****\$7,726,000**

(a) \$500,000 the first year is for grants to political subdivisions to recruit bilingual election judges and bilingual trainee election judges. This appropriation is available until June 30, 2023.

(b) \$48,000 the second year is for the preparation of voting instructions in languages other than English for in-person absentee voters. This is a onetime appropriation.

Sec. 7. **CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD****\$1,145,000****\$1,167,000**Sec. 8. **STATE BOARD OF INVESTMENT****\$139,000****\$139,000**Sec. 9. **ADMINISTRATIVE HEARINGS****\$8,236,000****\$8,240,000**Appropriations by Fund

	<u>2022</u>	<u>2023</u>
General	405,000	409,000
Workers' Compensation	7,831,000	7,831,000

\$268,000 the first year and \$272,000 the second year are for municipal boundary adjustments.

Sec. 10. **OFFICE OF MN.IT SERVICES****\$9,855,000****\$9,882,000**

(a) The commissioner of management and budget is authorized to provide cash flow assistance of up to \$50,000,000 from the special revenue fund or other statutory general funds as defined in Minnesota Statutes, section 16A.671, subdivision 3, paragraph (a), to the Office of MN.IT Services for the purpose of managing revenue and expenditure differences. These funds shall be repaid with interest by the end of the fiscal year 2023 closing period.

(b) During the biennium ending June 30, 2023, the Office of MN.IT Services must not charge fees to a public noncommercial educational television broadcast station eligible for funding under Minnesota Statutes, chapter 129D, for access to the state broadcast infrastructure. If the access fees not charged to public noncommercial educational television broadcast stations total more than \$400,000 for the biennium, the office may charge for access fees in excess of these amounts.

(c) \$2,100,000 in fiscal year 2022 and \$2,050,000 in fiscal year 2023 are to implement recommendations from the Governor's Blue Ribbon Council on Information Technology, established by Executive Order 19-02 and re-established by Executive Order 20-77. The base for this appropriation is \$1,400,000 in fiscal years 2024 and 2025.

Sec. 11. **ADMINISTRATION**Subdivision 1. **Total Appropriation****\$27,025,000****\$27,376,000**

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

Subd. 2. **Government and Citizen Services**11,517,00011,699,000

Council on Developmental Disabilities. \$222,000 each year is for the Council on Developmental Disabilities.

Subd. 3. **Strategic Management Services**2,174,0002,218,000Subd. 4. **Fiscal Agent**13,334,00013,459,000

The appropriations under this section are to the commissioner of administration for the purposes specified.

In-Lieu of Rent. \$10,515,000 each year is for space costs of the legislature and veterans organizations, ceremonial space, and statutorily free space.

Public Television. (a) \$1,550,000 each year is for matching grants for public television.

(b) \$250,000 each year is for public television equipment grants under Minnesota Statutes, section 129D.13.

(c) The commissioner of administration must consider the recommendations of the Minnesota Public Television Association before allocating the amounts appropriated in paragraphs (a) and (b) for equipment or matching grants.

Public Radio. (a) \$392,000 the first year and \$492,000 the second year are for community service grants to public educational radio stations. This appropriation may be used to disseminate emergency information in foreign languages.

(b) \$117,000 the first year and \$142,000 the second year are for equipment grants to public educational radio stations. This appropriation may be used for the repair, rental, and purchase of equipment including equipment under \$500.

(c) \$510,000 each year is for equipment grants to Minnesota Public Radio, Inc., including upgrades to Minnesota's Emergency Alert and AMBER Alert Systems.

(d) The appropriations in paragraphs (a) to (c) may not be used for indirect costs claimed by an institution or governing body.

(e) The commissioner of administration must consider the recommendations of the Association of Minnesota Public Educational Radio Stations before awarding grants under Minnesota Statutes, section 129D.14, using the appropriations in paragraphs (a) and (b). No grantee is eligible for a grant unless they are a member of the Association of Minnesota Public Educational Radio Stations on or before July 1, 2021.

(f) Any unencumbered balance remaining the first year for grants to public television or public radio stations does not cancel and is available for the second year.

Sec. 12. <u>CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD</u>	<u>\$386,000</u>	<u>\$365,000</u>
Sec. 13. <u>MINNESOTA MANAGEMENT AND BUDGET</u>	<u>\$27,819,000</u>	<u>\$28,240,000</u>
Sec. 14. <u>REVENUE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$174,077,000</u>	<u>\$176,311,000</u>

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>169,863,000</u>	<u>172,097,000</u>
<u>Health Care Access</u>	<u>1,760,000</u>	<u>1,760,000</u>
<u>Highway User Tax</u>		
<u>Distribution</u>	<u>2,195,000</u>	<u>2,195,000</u>
<u>Environmental</u>	<u>259,000</u>	<u>259,000</u>

Subd. 2. <u>Tax System Management</u>	<u>144,204,000</u>	<u>145,921,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>139,990,000</u>	<u>141,707,000</u>
<u>Health Care Access</u>	<u>1,760,000</u>	<u>1,760,000</u>
<u>Highway User Tax</u>		
<u>Distribution</u>	<u>2,195,000</u>	<u>2,195,000</u>
<u>Environmental</u>	<u>259,000</u>	<u>259,000</u>

Taxpayer Assistance. (a) \$1,100,000 each year is for the commissioner of revenue to make grants to one or more eligible organizations, qualifying under section 7526A(e)(2)(B) of the Internal Revenue Code of 1986, to coordinate, facilitate, encourage, and aid in the provision of taxpayer assistance services. The unencumbered balance in the first year does not cancel but is available for the second year.

(b) For purposes of this section, "taxpayer assistance services" means accounting and tax preparation services provided by volunteers to low-income, elderly, and disadvantaged Minnesota residents to help them file federal and state income tax returns and Minnesota property tax refund claims and to provide personal representation before the Department of Revenue and Internal Revenue Service.

Subd. 3. <u>Debt Collection Management</u>	<u>29,873,000</u>	<u>30,390,000</u>
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Sec. 15. <u>GAMBLING CONTROL</u>	<u>\$5,728,000</u>	<u>\$5,123,000</u>
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These appropriations are from the lawful gambling regulation account in the special revenue fund.

Sec. 16. <u>RACING COMMISSION</u>	<u>\$913,000</u>	<u>\$913,000</u>
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These appropriations are from the racing and card playing regulation accounts in the special revenue fund.

Sec. 17. **STATE LOTTERY**

Notwithstanding Minnesota Statutes, section 349A.10, subdivision 3, the State Lottery's operating budget must not exceed \$36,500,000 in fiscal year 2022 and \$36,500,000 in fiscal year 2023.

Sec. 18. <u>AMATEUR SPORTS COMMISSION</u>	<u>\$311,000</u>	<u>\$317,000</u>
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Sec. 19. <u>COUNCIL FOR MINNESOTANS OF AFRICAN HERITAGE</u>	<u>\$544,000</u>	<u>\$552,000</u>
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Sec. 20. <u>COUNCIL ON LATINO AFFAIRS</u>	<u>\$534,000</u>	<u>\$544,000</u>
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Sec. 21. <u>COUNCIL ON ASIAN-PACIFIC MINNESOTANS</u>	<u>\$525,000</u>	<u>\$534,000</u>
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Sec. 22. <u>INDIAN AFFAIRS COUNCIL</u>	<u>\$855,000</u>	<u>\$864,000</u>
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Sec. 23. <u>MINNESOTA HISTORICAL SOCIETY</u>		
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Subdivision 1. <u>Total Appropriation</u>	<u>\$23,918,000</u>	<u>\$24,218,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Operations and Programs</u>	<u>23,597,000</u>	<u>23,897,000</u>
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Notwithstanding Minnesota Statutes, section 138.668, the Minnesota Historical Society may not charge a fee for its general tours at the Capitol, but may charge fees for special programs other than general tours.

Subd. 3. Fiscal Agent

(a) <u>Global Minnesota</u>	<u>39,000</u>	<u>39,000</u>
(b) <u>Minnesota Air National Guard Museum</u>	<u>17,000</u>	<u>17,000</u>
(c) <u>Hockey Hall of Fame</u>	<u>100,000</u>	<u>100,000</u>
(d) <u>Farmamerica</u>	<u>115,000</u>	<u>115,000</u>
(e) <u>Minnesota Military Museum</u>	<u>50,000</u>	<u>50,000</u>

Any unencumbered balance remaining in this subdivision the first year does not cancel but is available for the second year of the biennium.

Sec. 24. BOARD OF THE ARTS

Subdivision 1. <u>Total Appropriation</u>	<u>\$7,551,000</u>	<u>\$7,561,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Operations and Services</u>	<u>612,000</u>	<u>622,000</u>
Subd. 3. <u>Grants Program</u>	<u>4,800,000</u>	<u>4,800,000</u>
Subd. 4. <u>Regional Arts Councils</u>	<u>2,139,000</u>	<u>2,139,000</u>

Any unencumbered balance remaining in this section the first year does not cancel, but is available for the second year.

Money appropriated in this section and distributed as grants may only be spent on projects located in Minnesota. A recipient of a grant funded by an appropriation in this section must not use more than ten percent of the total grant for costs related to travel outside the state of Minnesota.

Sec. 25. <u>MINNESOTA HUMANITIES CENTER</u>	<u>\$375,000</u>	<u>\$375,000</u>
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Sec. 26. <u>BOARD OF ACCOUNTANCY</u>	<u>\$688,000</u>	<u>\$698,000</u>
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Sec. 27. <u>BOARD OF ARCHITECTURE ENGINEERING, LAND SURVEYING, LANDSCAPE ARCHITECTURE, GEOSCIENCE, AND INTERIOR DESIGN</u>	<u>\$863,000</u>	<u>\$874,000</u>
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Sec. 28. <u>BOARD OF COSMETOLOGIST EXAMINERS</u>	<u>\$2,969,000</u>	<u>\$3,016,000</u>
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Sec. 29. <u>BOARD OF BARBER EXAMINERS</u>	<u>\$348,000</u>	<u>\$353,000</u>
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Sec. 30. <u>GENERAL CONTINGENT ACCOUNTS</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	500,000	-0-
<u>State Government Special</u>		
<u>Revenue</u>	400,000	400,000
<u>Workers' Compensation</u>	100,000	100,000

(a) The appropriations in this section may only be spent with the approval of the governor after consultation with the Legislative Advisory Commission pursuant to Minnesota Statutes, section 3.30.

(b) If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

(c) If a contingent account appropriation is made in one fiscal year, it should be considered a biennial appropriation.

Sec. 31. **TORT CLAIMS** **\$161,000** **\$161,000**

These appropriations are to be spent by the commissioner of management and budget according to Minnesota Statutes, section 3.736, subdivision 7. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 32. **MINNESOTA STATE RETIREMENT SYSTEM**

Subdivision 1. **Total Appropriation** **\$14,886,000** **\$14,878,000**

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

Subd. 2. **Combined Legislators and Constitutional Officers Retirement Plan** **8,886,000** **8,878,000**

Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.115.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. **Judges Retirement Plan** **6,000,000** **6,000,000**

For transfer to the judges retirement fund under Minnesota Statutes, section 490.123. This transfer continues each fiscal year until the judges retirement plan reaches 100 percent funding as determined by an actuarial valuation prepared according to Minnesota Statutes, section 356.214.

Sec. 33. <u>PUBLIC EMPLOYEES RETIREMENT ASSOCIATION</u>	<u>\$25,000,000</u>	<u>\$25,000,000</u>
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(a) \$9,000,000 the first year and \$9,000,000 the second year are for direct state aid to the public employees police and fire retirement plan authorized under Minnesota Statutes, section 353.65, subdivision 3b.

(b) State payments from the general fund to the Public Employees Retirement Association on behalf of the former MERF division account are \$16,000,000 on September 15, 2021, and \$16,000,000 on September 15, 2022. These amounts are estimated to be needed under Minnesota Statutes, section 353.505.

Sec. 34. <u>TEACHERS RETIREMENT ASSOCIATION</u>	<u>\$29,831,000</u>	<u>\$29,831,000</u>
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The amounts estimated to be needed are as follows:

Special Direct State Aid. \$27,331,000 each year is for special direct state aid authorized under Minnesota Statutes, section 354.436.

Special Direct State Matching Aid. \$2,500,000 each year is for special direct state matching aid authorized under Minnesota Statutes, section 354.435.

Sec. 35. <u>ST. PAUL TEACHERS RETIREMENT FUND</u>	<u>\$14,827,000</u>	<u>\$14,827,000</u>
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The amounts estimated to be needed for special direct state aid to the first class city teachers retirement fund association authorized under Minnesota Statutes, section 354A.12, subdivisions 3a and 3c.

Sec. 36. **SENSORY ACCESSIBILITY ACCOMMODATIONS GRANTS; APPROPRIATION.**

\$250,000 in fiscal year 2022 and \$250,000 in fiscal year 2023 are appropriated from the general fund to the Minnesota Council on Disability for sensory accessibility accommodations grants authorized by article 2, section 45. These are onetime appropriations.

Sec. 37. **STATE PARKING ACCOUNT.**

Notwithstanding Laws 2014, chapter 287, section 25, as amended by Laws 2015, chapter 77, article 2, section 78, for fiscal years 2021 and 2022, the state parking account is not required to make the transfer to the general fund mandated by Laws 2014, chapter 287, section 25, as amended by Laws 2015, chapter 77, article 2, section 78.

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

Sec. 38. **CANCELLATIONS; FISCAL YEAR 2021.**

(a) \$379,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 10, article 1, section 10, is canceled.

(b) \$300,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 10, article 1, section 11, subdivision 1, is canceled. This amount is from the fiscal year 2021 appropriation for government and citizen services.

(c) \$1,367,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 10, article 1, section 13, is canceled.

(d) \$8,274,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First Special Session chapter 10, article 1, section 14, subdivision 1, is canceled. Of this amount, \$7,305,000 is from the fiscal year 2021 appropriation for tax system management, and \$969,000 is from the fiscal year 2021 appropriation for debt collection management.

(e) \$86,000 of the fiscal year 2021 general fund appropriation for moving and relocation expenses under Laws 2019, First Special Session chapter 10, article 1, section 24, subdivision 2, as amended by Laws 2020, chapter 104, article 2, section 4, is canceled.

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

Sec. 39. **CANCELLATIONS; ITA ACCOUNT.**

(a) \$179,000 from the information and telecommunications technology systems and services account established under Minnesota Statutes, section 16E.21, is canceled to the general fund.

(b) \$14,000 from the information and telecommunications technology systems and services account established under Minnesota Statutes, section 16E.21, is canceled to the workers' compensation fund.

(c) \$5,000 from the information and telecommunications technology systems and services account established under Minnesota Statutes, section 16E.21, is canceled to the state government special revenue fund.

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

Sec. 40. **CANCELLATION; CARRYFORWARD.**

\$5,000,000 of the senate carryforward balance is canceled to the general fund on July 1, 2021.

Sec. 41. **APPROPRIATION; ADMINISTRATIVE SPACE CONSOLIDATION AND MOVING.**

\$4,500,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of administration to complete and implement a comprehensive strategic plan for locating state agencies and for agency space consolidation, reconfiguration, and relocation costs. This is a onetime appropriation and is available until June 30, 2023.

ARTICLE 2
STATE GOVERNMENT POLICY

Section 1. **[1.1471] STATE FIRE MUSEUM.**

The Bill and Bonnie Daniels Firefighters Hall and Museum in Minneapolis is designated as the official state fire museum.

Sec. 2. Minnesota Statutes 2020, section 3.302, subdivision 3, is amended to read:

Subd. 3. **State documents.** The library is a depository of all documents published by the state and shall receive them automatically without cost to the legislature or library. As used in this chapter, "document" includes any publication issued by the state, constitutional officers, departments, commissions, councils, bureaus, research centers, societies, task forces, including advisory task forces created under section 15.014 or 15.0593, or other agencies supported by state funds, or any publication prepared for the state by private individuals or organizations considered to be of interest or value to the library. Intraoffice or interoffice memos and forms and information concerning only the internal operation of an agency are not included.

Sec. 3. Minnesota Statutes 2020, section 3.303, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The Legislative Coordinating Commission is created to coordinate the legislative activities of the senate and house of representatives and the joint legislative commissions, committees, offices, and task forces.

Sec. 4. Minnesota Statutes 2020, section 3.971, subdivision 2, is amended to read:

Subd. 2. **Staff; compensation.** (a) The legislative auditor shall establish a Financial Audits Division and a Program Evaluation Division to fulfill the duties prescribed in this section.

(b) Each division may be supervised by a deputy auditor, appointed by the legislative auditor, with the approval of the commission, for a term coterminous with the legislative auditor's term. The deputy auditors may be removed before the expiration of their terms only for cause. The legislative auditor and deputy auditors may each appoint a ~~confidential secretary~~ an administrative support specialist to serve at pleasure. The salaries and benefits of the legislative auditor, deputy auditors, and ~~confidential secretaries~~ administrative support specialists shall be determined by the compensation plan approved by the Legislative Coordinating Commission. The deputy auditors may perform and exercise the powers, duties and responsibilities imposed by law on the legislative auditor when authorized by the legislative auditor.

~~(c) The legislative auditor must appoint a fiscal oversight officer with duties that include performing the review under section 3.972, subdivision 4.~~

~~(d)~~ (c) The legislative auditor, deputy auditors, and ~~the confidential secretaries~~ administrative support specialists shall serve in the unclassified civil service, but ~~the fiscal oversight officer and~~ all other employees of the legislative auditor ~~are~~ shall serve in the classified civil service. Compensation for employees of the legislative auditor in the classified service shall be governed by a plan prepared by the legislative auditor and approved by the Legislative Coordinating Commission and the legislature under section 3.855, subdivision 3.

~~(e)~~ (d) While in office, a person appointed deputy for the Financial Audit Division must hold an active license as a certified public accountant.

Sec. 5. Minnesota Statutes 2020, section 3.971, is amended by adding a subdivision to read:

Subd. 8a. **Special reviews.** The legislative auditor may conduct a special review to: (1) fulfill a legal requirement; (2) investigate allegations that an individual or organization subject to audit by the legislative auditor may not have complied with legal requirements related to the use of public money, other public resources, or government data classified as not public; (3) respond to a legislative request for a review of an organization or program subject to audit by the legislative auditor; or (4) investigate allegations that an individual may not have complied with section 43A.38 or 43A.39.

Sec. 6. Minnesota Statutes 2020, section 3.972, subdivision 2, is amended to read:

Subd. 2. **Audits of state and semistate agencies.** The legislative auditor shall ~~make a constant, as resources permit,~~ audit ~~of all the~~ financial affairs ~~activities~~ of ~~(1) all departments and agencies of, offices, and other organizations in the state; executive branch; (2) courts, offices, and other organizations in the state judicial branch; and of the financial records and transactions of (3) public boards, associations, and societies, and other public organizations created by state law or supported, wholly or in part, by state funds. Once in each year, if funds and personnel permit, without previous notice,~~ The legislative auditor shall ~~visit each state department and agency, association or society and, so far as practicable,~~

~~(1) inspect;~~

~~(2) thoroughly examine its books and accounts, verifying the funds, securities, and other assets;~~

~~(3) check the items of receipts and disbursements with its voucher records;~~

~~(4) ascertain the character of the official bonds for its officers and the financial ability of the bonding institution;~~

~~(5) inspect its sources of revenue and the use and disposition of state appropriations and property;~~

~~(6) investigate the methods of purchase and sale and the character of contracts on public account;~~

~~(7) ascertain proper custody and depository for its funds and securities;~~

~~(8) verify the inventory of public property and other assets held in trust; and~~

~~(9) ascertain that all financial transactions and operations involving the public funds and property of the state comply with the spirit and purpose of the law, are sound by modern standards of financial management, and are for the best protection of the public interest funds and other public resources.~~

Sec. 7. Minnesota Statutes 2020, section 3.972, subdivision 2a, is amended to read:

Subd. 2a. **Audits of Department of Human Services.** ~~(a) To ensure continuous effective legislative oversight and accountability, the legislative auditor shall give high priority to auditing the programs, services, and benefits administered by the Department of Human Services. The audits shall determine whether~~ As resources permit, the legislative auditor shall track and assess expenditures throughout the human service delivery system, from the department offered to the point of service delivery, and determine whether human services programs and provided, services, and benefits are being provided cost-effectively and only to eligible persons individuals and organizations, and complied in compliance with applicable legal requirements.

~~(b) The legislative auditor shall, based on an assessment of risk and using professional standards to provide a statistically significant sample, no less than three times each year, test a representative sample of persons enrolled in a medical assistance program or MinnesotaCare to determine whether they are eligible to receive benefits under those programs. The legislative auditor shall report the results to the commissioner of human services and recommend corrective actions. The commissioner shall provide a response to the legislative auditor within 20 business days, including corrective actions to be taken to address any problems identified by the legislative auditor and anticipated completion dates. The legislative auditor shall monitor the commissioner's implementation of corrective actions and periodically report the results to the Legislative Audit Commission and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance. The legislative auditor's reports to the commission and the chairs and ranking minority members must include recommendations for any legislative actions needed to ensure that medical assistance and MinnesotaCare benefits are provided only to eligible persons.~~

Sec. 8. Minnesota Statutes 2020, section 3.978, subdivision 2, is amended to read:

Subd. 2. **Inquiry and inspection power; duty to aid legislative auditor.** All public officials and their deputies and employees, and all corporations, firms, and individuals having business involving the receipt, disbursement, or custody of public funds shall at all times afford reasonable facilities for examinations by the legislative auditor, make returns and reports required by the legislative auditor, attend and answer under oath the legislative auditor's lawful inquiries, produce and exhibit all books, accounts, documents, data of any classification, and property that the legislative auditor ~~may need~~ requests to inspect, and in all things ~~and cooperate with~~ the legislative auditor ~~in the performance of duties.~~

Sec. 9. Minnesota Statutes 2020, section 3.979, subdivision 3, is amended to read:

Subd. 3. **Audit data.** (a) "Audit" as used in this subdivision means a financial audit, ~~review,~~ program evaluation, ~~best practices~~ special review, or investigation. Data relating to an audit are not public or with respect to data on individuals are confidential until the final report of the audit has been released by the legislative auditor or the audit is no longer being actively pursued. Upon release of a final audit report by the legislative auditor, data relating to an audit are public except data otherwise classified as not public.

(b) Data related to an audit but not published in the audit report and that the legislative auditor reasonably believes will be used in litigation are not public and with respect to data on individuals are confidential until the litigation has been completed or is no longer being actively pursued.

(c) Data ~~on individuals~~ that could reasonably be used to determine the identity of an individual supplying data for an audit are private if the data supplied by the individual were needed for an audit and the individual would not have provided the data to the legislative auditor without an assurance that the individual's identity would remain private, or the legislative auditor reasonably believes that the subject would not have provided the data.

(d) The definitions of terms provided in section 13.02 apply for purposes of this subdivision.

Sec. 10. Minnesota Statutes 2020, section 4A.01, subdivision 3, is amended to read:

Subd. 3. **Report.** The commissioner must submit a report to the governor and chairs and ranking minority members of the senate and house of representatives committees with jurisdiction on state government finance by January 15 of each year that provides economic, social, and environmental demographic information to assist public and elected officials with long-term management decisions. The report must identify and assess the information important to understanding the state's two-, ten-, and 50-year outlook. The report must include the demographic forecast required by section 4A.02, paragraph (e), ~~and information to assist with the preparation of the milestones report required by section 4A.11,~~ and may include policy recommendations based upon the information and assessment provided.

Sec. 11. Minnesota Statutes 2020, section 4A.02, is amended to read:

4A.02 STATE DEMOGRAPHER.

(a) The commissioner shall appoint a state demographer. The demographer must be professionally competent in demography and must possess demonstrated ability based upon past performance.

(b) The demographer shall:

(1) continuously gather and develop demographic data relevant to the state;

(2) design and test methods of research and data collection;

(3) periodically prepare population projections for the state and designated regions and periodically prepare projections for each county or other political subdivision of the state as necessary to carry out the purposes of this section;

(4) review, comment on, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies, or nongovernmental persons, institutions, or commissions;

(5) serve as the state liaison with the United States Bureau of the Census, coordinate state and federal demographic activities to the fullest extent possible, and aid the legislature in preparing a census data plan and form for each decennial census;

(6) compile an annual study of population estimates on the basis of county, regional, or other political or geographical subdivisions as necessary to carry out the purposes of this section and section 4A.03;

(7) by January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(8) prepare maps for all counties in the state, all municipalities with a population of 10,000 or more, and other municipalities as needed for census purposes, according to scale and detail recommended by the United States Bureau of the Census, with the maps of cities showing precinct boundaries;

(9) prepare an estimate of population and of the number of households for each governmental subdivision for which the Metropolitan Council does not prepare an annual estimate, and convey the estimates to the governing body of each political subdivision by June 1 of each year or, in a year following a decennial census, within six weeks of the date the data are provided by the United States Census Bureau in that year;

(10) direct, under section 414.01, subdivision 14, and certify population and household estimates of annexed or detached areas of municipalities or towns after being notified of the order or letter of approval by the chief administrative law judge of the State Office of Administrative Hearings;

(11) prepare, for any purpose for which a population estimate is required by law or needed to implement a law, a population estimate of a municipality or town whose population is affected by action under section 379.02 or 414.01, subdivision 14; and

(12) prepare an estimate of average household size for each statutory or home rule charter city with a population of 2,500 or more by June 1 of each year or, in a year following a decennial census, within six weeks of the date the data are provided by the United States Census Bureau in that year.

(c) A governing body may challenge an estimate made under paragraph (b) by filing their specific objections in writing with the state demographer by June 24. If the challenge does not result in an acceptable estimate, the governing body may have a special census conducted by the United States Bureau of the Census. The political subdivision must notify the state demographer by July 1 of its intent to have the special census conducted. The political subdivision must bear all costs of the special census. Results of the special census must be received by the state demographer by the next April 15 to be used in that year's June 1 estimate to the political subdivision under paragraph (b). In the year following a decennial census, challenges to the census count must be submitted to the United States Census Bureau through its formal challenge process.

(d) The state demographer shall certify the estimates of population and household size to the commissioner of revenue by July 15 each year, including any estimates still under objection except that in a year following a decennial census, the estimate must be certified within six weeks of the date the data are provided by the United States Census Bureau in that year.

(e) The state demographer may contract for the development of data and research required under this chapter, including, but not limited to, population estimates and projections, the preparation of maps, and other estimates.

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

Sec. 12. **[10.65] GOVERNMENT-TO-GOVERNMENT RELATIONSHIP WITH TRIBAL GOVERNMENTS.**

Subdivision 1. Recognition of Tribal status and relationship with the state of Minnesota. (a) The state of Minnesota is home to 11 federally recognized Indian Tribes with elected Tribal government officials. The state of Minnesota acknowledges and supports the unique status of Minnesota Tribes and their absolute right to existence, self-governance, and self-determination.

(b) The United States and the state of Minnesota have a unique relationship with federally recognized Indian Tribes, formed by the Constitution of the United States, treaties, statutes, case law, and agreements.

(c) The state of Minnesota and Minnesota Tribal governments significantly benefit from working together, learning from one another, and partnering where possible.

(d) Timely and meaningful consultation between the state of Minnesota and Minnesota Tribal governments will facilitate better understanding and informed decision-making by allowing for communication on matters of mutual interest and helping to establish mutually respectful and beneficial relationships between the state of Minnesota and Minnesota Tribal governments.

Subd. 2. Definitions. As used in this section, the following terms have the meanings given:

(1) "agency" means the Department of Administration, Department of Agriculture, Department of Commerce, Department of Corrections, Department of Education, Department of Employment and Economic Development, Department of Health, Office of Higher Education, Housing Finance Agency, Department of Human Rights, Department of Human Services, Office of MN.IT Services, Department of Iron Range Resources and Rehabilitation, Department of Labor and Industry, Minnesota Management and Budget, Bureau of Mediation Services, Department of Military Affairs, Metropolitan Council, Department of Natural Resources, Pollution Control Agency, Department of Public Safety, Department of Revenue, Department of Transportation, Department of Veterans Affairs, Gambling Control Board, Racing Commission, Minnesota Lottery, Animal Health Board, and Board of Water and Soil Resources;

(2) "consultation" means the direct and interactive involvement of Minnesota Tribal governments in the development of policy on matters that have Tribal implications. Consultation is the proactive, affirmative process of identifying and seeking input from appropriate Tribal governments and considering their interest as a necessary and integral part of the decision-making process. This definition adds to statutorily mandated notification procedures. During a consultation, the burden is on the agency to show that it has made a good faith effort to elicit feedback. Consultation is a formal engagement between agency officials and the governing body or bodies of an individual Minnesota Tribal government that the agency or an individual Tribal government may initiate. Formal meetings or communication between top agency officials and the governing body of a Minnesota Tribal government is a necessary element of consultation;

(3) "matters that have Tribal implications" means rules, legislative proposals, policy statements, or other actions that have substantial direct effects on one or more Minnesota Tribal governments, or on the distribution of power and responsibilities between the state and Minnesota Tribal governments;

(4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located in Minnesota including: Bois Forte Band; Fond du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community; and Upper Sioux Community; and

(5) "timely and meaningful" means done or occurring at a favorable or useful time that allows the result of consultation to be included in the agency's decision-making process for a matter that has Tribal implications.

Subd. 3. **Consultation duties.** (a) An agency must recognize the unique legal relationship between the state of Minnesota and Minnesota Tribal governments, respect the fundamental principles that establish and maintain this relationship, and accord Tribal governments the same respect accorded to other governments.

(b) An agency must, in consultation with Minnesota Tribal governments, implement Tribal consultation policies to comply with this section and guide their work with Minnesota Tribal governments, and must submit these policies to the governor and lieutenant governor. Tribal consultation policies must address the communication protocols for each Minnesota Tribal government, which must be developed in coordination with representatives of each Minnesota Tribal government. An agency must update the Tribal consultation policies as often as required in order to facilitate timely and meaningful consultation, but no less than biannually.

(c) Consultation under this section is a duty of an agency to consult with the governing body or bodies of each individual Minnesota Tribal government. Coordination with groups or entities that have representation on some or all of the governing bodies of Minnesota Tribal governments, such as the Minnesota Indian Affairs Council or the Minnesota Chippewa Tribe, is encouraged but does not satisfy an agency's duty to consult with individual Minnesota Tribal governments on matters that have Tribal implications. If a matter has implications for one Minnesota Tribal government but not others, the agency's duty is to only consult those Minnesota Tribal governments affected.

(d) An agency must consult with each Minnesota Tribal government at least annually, and as often as it is required, to address matters that have Tribal implications.

(e) An agency must consult with Minnesota Tribal governments on legislative and fiscal matters that affect one or all Minnesota Tribal governments or their members to identify priority issues in order to allow agencies to proactively engage Minnesota Tribal governments in the agency's development of legislative and fiscal proposals in time for submission into the governor's recommended budget and legislative proposals each year.

(f) An agency must develop and maintain ongoing consultation with Minnesota Tribal governments related to matters that have Tribal implications. Agencies must consider the input gathered from Tribal consultation into their decision-making processes, with the goal of achieving mutually beneficial solutions.

(g) An agency and a Minnesota Tribal government may agree that a formal consultation is not necessary for a given year on a given matter that has Tribal implications, and the agency must keep a written record of this decision.

(h) The prospective duty to consult does not apply to action on a matter that has Tribal implications if immediate action is required to address a present and immediate threat to the health, safety, or welfare of Minnesota citizens. For these actions, every effort should be made to communicate, and formal consultation should occur as soon as possible. The duty to consult also does not apply to criminal proceedings or other investigations or legal proceedings that prohibit an agency from disclosure.

(i) An agency must designate a Tribal liaison to assume responsibility for implementation of the Tribal consultation policy and to serve as the principal point of contact for Minnesota Tribal governments. The Tribal liaison must be able to directly and regularly meet and communicate with the agency's commissioner and deputy and assistant commissioners in order to appropriately conduct government-to-government consultation and cooperation.

(j) The state has instituted Tribal state government relations training, which is the foundation and basis of all other Tribal government relations training sources. All agencies must direct certain staff to complete available training to foster a collaborative relationship between the state of Minnesota and Minnesota Tribal governments, and

to facilitate timely and meaningful consultation. In addition to all commissioners, deputy commissioners, and assistant commissioners, at a minimum all agency employees whose work is likely to include matters that have Tribal implications must attend Tribal state relations training. Tribal liaisons must actively support and participate in the Tribal state relations training.

(k) Any agency or board that is not listed in subdivision 2 is encouraged to and may engage in consultation and communication with Minnesota Tribal governments for all matters that have Tribal implications.

Subd. 4. **Applicability.** Nothing in this section requires the state or an agency to violate or ignore any laws, rules, directives, or other legal requirements or obligations imposed by state or federal law or set forth in agreements or compacts between one or more Minnesota Tribal governments or any other Tribal government and the state or its agencies. This section is not intended to, and does not create, any right to administrative or judicial review, or any other right, benefit, or responsibility, substantive or procedural, enforceable against the state of Minnesota, its agencies or instrumentalities, its officers or employees, or its subdivisions or any other persons. Nothing in this section prohibits or limits any agency from asserting any rights or pursuing any administrative or judicial action under state or federal law to effectuate the interests of the state of Minnesota or any of its agencies. Nothing in this section is intended to alter or reduce the state's duties to individual Minnesota citizens including those of Native American descent.

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

Sec. 13. Minnesota Statutes 2020, section 16A.06, is amended by adding a subdivision to read:

Subd. 12. **Audit of state's use of federal funds; annual appropriation.** The commissioner shall contract with a qualified auditor to conduct the annual audit required by the Single Audit Act of 1984, Public Law 98-502; the Single Audit Act Amendments of 1996, Public Law 104-156; and Code of Federal Regulations, title 2, part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). There is annually appropriated from the general fund to the commissioner an amount sufficient to pay the cost of the annual audit. The cost of the audit shall be billed to the agencies audited during the subsequent fiscal year. Amounts paid by state agencies shall be deposited in the general fund.

Sec. 14. Minnesota Statutes 2020, section 16A.103, subdivision 1, is amended to read:

Subdivision 1. **State revenue and expenditures.** In February and November each year, the commissioner shall prepare a forecast of state revenue and expenditures. The November forecast must be delivered to the legislature and governor ~~no later than the end of the first week of December~~ by December 6. The February forecast must be delivered to the legislature and governor by the end of February. Forecasts must be delivered to the legislature and governor on the same day. If requested by the Legislative Commission on Planning and Fiscal Policy, delivery to the legislature must include a presentation to the commission.

Sec. 15. Minnesota Statutes 2020, section 16A.152, subdivision 2, is amended to read:

Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund revenues and expenditures, the commissioner of management and budget determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of management and budget must allocate money to the following accounts and purposes in priority order:

- (1) the cash flow account established in subdivision 1 until that account reaches \$350,000,000;
- (2) the budget reserve account established in subdivision 1a until that account reaches \$1,596,522,000;

(3) the amount necessary to increase the aid payment schedule for school district aids and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest tenth of a percent without exceeding the amount available and with any remaining funds deposited in the budget reserve;

(4) the amount necessary to restore all or a portion of the net aid reductions under section 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75, subdivision 5, by the same amount; and

~~(5) the clean water fund established in section 114D.50 until \$22,000,000 has been transferred into the fund; and~~

~~(6)~~ (5) the amount necessary to increase the Minnesota 21st century fund by not more than the difference between \$5,000,000 and the sum of the amounts credited and canceled to it in the previous 12 months under Laws 2020, chapter 71, article 1, section 11, until the sum of all transfers under this section and all amounts credited or canceled under Laws 2020, chapter 71, article 1, section 11, equals \$20,000,000.

(b) The amounts necessary to meet the requirements of this section are appropriated from the general fund within two weeks after the forecast is released or, in the case of transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations schedules otherwise established in statute.

(c) The commissioner of management and budget shall certify the total dollar amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education. The commissioner of education shall increase the aid payment percentage and reduce the property tax shift percentage by these amounts and apply those reductions to the current fiscal year and thereafter.

~~(d) Paragraph (a), clause (5), expires after the entire amount of the transfer has been made.~~

Sec. 16. **[16A.401] VIRTUAL PAYMENTS AUTHORIZED.**

Subdivision 1. **Virtual payments.** The commissioner may establish a program to issue virtual payments from the state treasury. Any rebate to the state generated by the program must be deposited in the general fund unless retained under subdivision 3.

Subd. 2. **Rebates.** Notwithstanding subdivision 1, rebates attributable to expenditures in funds established in the state constitution or protected by federal law must be returned to the account from which the expenditure originated.

Subd. 3. **Rebates retained.** The commissioner may retain a portion of rebates for the administration of this section. Money retained under this subdivision must be deposited in an account in the special revenue fund and is appropriated to the commissioner for the purposes of this section.

Sec. 17. Minnesota Statutes 2020, section 16B.24, subdivision 1, is amended to read:

Subdivision 1. **Operation and maintenance of buildings.** The commissioner is authorized to maintain and operate the State Capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the Capitol Area Architectural and Planning Board and the commissioner under section 15B.15, subdivision 2, and all other buildings, cafeterias, and grounds in state-owned buildings in the Capitol Area under section 15B.02, the state Department of Public Safety, Bureau of Criminal Apprehension building in St. Paul, ~~the state Department of Health building in Minneapolis, 321 Grove Street buildings~~ 603 Pine Street building in St. Paul, Fleet and Surplus Services building in Arden Hills, Ely Revenue building, any other properties acquired by the Department of Administration, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the Capitol and state buildings to make an equitable division of available space among

agencies. The commissioner shall regularly update the long-range strategic plan for locating agencies and shall follow the plan in assigning and reassigning space to agencies. The plan must include locational and urban design criteria, a cost-analysis method to be used in weighing state ownership against leasing of space in specific instances, and a transportation management plan. If the commissioner determines that a deviation from the plan is necessary or desirable in a specific instance, the commissioner shall provide the legislature with a timely written explanation of the reasons for the deviation. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.

Sec. 18. **[16B.276] CAPITOL FLAG PROGRAM.**

Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given.

(b) "Active service" has the meaning given in section 190.05, subdivision 5.

(c) "Eligible family member" means a surviving spouse, parent or legal guardian, child, or sibling of (1) a public safety officer killed in the line of duty, or (2) a person who has died while serving honorably in active service in the United States armed forces. For purposes of this section, an eligibility relationship may be established by birth or adoption.

(d) "Killed in the line of duty" has the meaning given in section 299A.41, subdivision 3.

(e) "Public safety officer" has the meaning given in section 299A.41, subdivision 4.

Subd. 2. **Establishment.** A Capitol flag program is established. The purpose of the program is to make a Minnesota state flag and an American flag that were flown over the Minnesota State Capitol available to the family members of a public safety officer killed in the line of duty or a member of the United States armed forces who died while in active service. In addition to appropriations provided by law, the commissioner of management and budget may receive gifts to support the program as authorized in sections 16A.013 to 16A.016. The program established by this section is required only to the extent that sufficient funds are available through appropriations or gifts to support its operations.

Subd. 3. **Submission of request; presentation.** (a) A flag request may only be made by a legislator or state constitutional officer on behalf of an eligible family member after verification of the family member's eligibility under the procedures adopted under subdivision 4. The request must be made to the commissioner of administration and must indicate the type of flag requested, a certification that the family member's eligibility has been verified, special requests for the date the flag is requested to be flown over the Capitol, and the method of presentment. The commissioner may adopt a form to be used for this purpose. With at least 30 days' notice, the commissioner must honor a request that a flag be flown on a specific commemorative date.

(b) Upon receipt of a request, the commissioner shall deliver the requested flags to the requesting legislator or constitutional officer for coordination of a later presentment ceremony. If relevant information is made available, the commissioner shall provide a certificate memorializing the details of the occasion and the date the flag was flown with each flag presented.

Subd. 4. **Verification of eligibility.** The house of representatives, the senate, and each constitutional officer must adopt procedures for the administration of flag requests received from eligible family members, including a procedure for verification of a family member's eligibility to receive a flag.

Subd. 5. **Eligibility; fees.** (a) For deaths that occur on or after August 1, 2021, the family of a public safety officer killed in the line of duty or service member of the United States armed forces who died in active service is entitled to receive one United States flag and one Minnesota state flag free of charge under this section. If multiple

flags of the same type are requested to be flown in honor of the same decedent, the commissioner may charge a reasonable fee that does not exceed the actual cost of flying each flag and preparing a certificate memorializing the occasion.

(b) For deaths that occurred before August 1, 2021, the family of a public safety officer killed in the line of duty or service member of the United States armed forces who died in active service may receive one United States flag and one Minnesota state flag for a fee, unless there are donated, nonstate funds available to provide a flag without a fee. If payment of a fee is required under this paragraph, the commissioner may charge an eligible family an amount that does not exceed the actual cost of flying each flag and preparing a certificate memorializing the occasion.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 19. Minnesota Statutes 2020, section 16B.2975, is amended by adding a subdivision to read:

Subd. 8. **Canine management.** The commissioner may give and convey to the canine's handler the state's entirety of the right, title, interest, and estate in and to the canine for which the handler trained and worked with while the canine was in service to the state. The handler is solely responsible for all future expenses related to the retired canine.

Sec. 20. **[16B.361] OFFICE OF COLLABORATION AND DISPUTE RESOLUTION.**

Subdivision 1. **Duties of the office.** The commissioner of administration shall maintain the Office of Collaboration and Dispute Resolution formerly codified as sections 179.90 and 179.91 within the Department of Administration. The office must:

(1) assist state agencies, offices of the executive, legislative and judicial branches, tribal governments, and units of local government in improving collaboration, dispute resolution, and public engagement;

(2) promote and utilize collaborative dispute resolution models and processes based on documented best practices including but not limited to:

(i) establishing criteria and procedures for identification and assessment of collaborative dispute resolution projects;

(ii) designing collaborative dispute resolution processes to foster trust, relationships, mutual understanding, and consensus-based solutions;

(iii) preparing and training participants; and

(iv) utilizing collaborative techniques, processes, and standards through facilitated meetings to develop wise and durable solutions;

(3) support collaboration and dispute resolution in the public and private sector by providing technical assistance and information on best practices and new developments in dispute resolution options;

(4) promote the broad use of community mediation in the state;

(5) ensure that all areas of the state have access to services by providing grants to private nonprofit entities certified by the state court administrator under chapter 494 that assist in resolution of disputes; and

(6) educate the public and government entities on collaboration, dispute resolution options, and public engagement.

Subd. 2. **Grant applications.** The commissioner may apply for and receive money made available from federal, state, or other sources for the purposes of carrying out the mission of the Office of Collaboration and Dispute Resolution. Funds received under this subdivision are appropriated to the commissioner for their intended purpose.

Subd. 3. **Grant awards.** The commissioner shall to the extent funds are appropriated for this purpose, make grants to private nonprofit community mediation entities certified by the state court administrator under chapter 494 that assist in resolution of disputes. The commissioner shall establish a grant review committee to assist in the review of grant applications and the allocation of grants under this section.

Subd. 4. **Eligibility.** To be eligible for a grant under this section, a nonprofit organization must meet the requirements of section 494.05, subdivision 1, clauses (1), (2), (4), and (5).

Subd. 5. **Conditions and exclusions.** A nonprofit entity receiving a grant must agree to comply with guidelines adopted by the state court administrator under section 494.015, subdivision 1. Policies adopted under sections 16B.97 and 16B.98 apply to grants under this section. The exclusions in section 494.03 apply to grants under this section.

Subd. 6. **Reporting.** Grantees must report data required under chapter 494 to evaluate quality and outcomes.

Sec. 21. **[16B.372] ENVIRONMENTAL SUSTAINABILITY GOVERNMENT OPERATIONS; OFFICE CREATED.**

Subdivision 1. **Enterprise sustainability.** The Office of Enterprise Sustainability is established to assist all state agencies in making measurable progress toward improving the sustainability of government operations by reducing the impact on the environment, controlling unnecessary waste of natural resources and public funds, and spurring innovation. The office shall create new tools and share best practices, assist state agencies to plan for and implement improvements, and monitor progress toward achieving intended outcomes. Specific duties include but are not limited to:

(1) managing a sustainability metrics and reporting system, including a public dashboard that allows Minnesotans to track progress;

(2) assisting agencies in developing and executing sustainability plans; and

(3) publishing an annual report.

Subd. 2. **Local governments.** The Office of Enterprise Sustainability shall make reasonable attempts to share tools and best practices with local governments.

Sec. 22. Minnesota Statutes 2020, section 16B.48, subdivision 2, is amended to read:

Subd. 2. **Purpose of funds.** Money in the state treasury credited to the general services revolving fund and money that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

(1) to operate the central mailing service, including purchasing postage and related items and refunding postage deposits;

(2) to operate a documents service as prescribed by section 16B.51;

(3) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;

~~(4) to operate a materials handling service, including interagency mail and product delivery, solid waste removal, courier service, equipment rental, and vehicle and equipment maintenance;~~

~~(5)~~ (4) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts; and

~~(6)~~ (5) to perform services for any other agency. Money may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services and other services for the maintenance, operation, and upkeep of buildings and offices of the state government; and.

~~(7) to operate a state recycling center.~~

Sec. 23. Minnesota Statutes 2020, section 16B.54, subdivision 1, is amended to read:

Subdivision 1. **Motor pools.** The commissioner shall manage a central motor pool of passenger motor vehicles and trucks used by state agencies with principal offices in the city of St. Paul and may provide for branch central motor pools at other places within the state. For purposes of this section, (1) "agencies" includes the Minnesota State Colleges and Universities, and (2) "passenger motor vehicle" means on-road vehicle capable of transporting people, and (3) "truck" means a pickup or panel truck up to one ton carrying capacity.

Sec. 24. Minnesota Statutes 2020, section 16B.54, subdivision 2, is amended to read:

Subd. 2. **Vehicles.** (a) The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(b) To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the Department of Administration.

(c) On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide for the use of motor vehicles without marking by:

(1) the governor;

(2) the lieutenant governor;

(3) the Division of Criminal Apprehension, the Division of Alcohol and Gambling Enforcement, and arson investigators of the Division of Fire Marshal in the Department of Public Safety;

- (4) the Financial Institutions Division and investigative staff of the Department of Commerce;
- (5) the Division of Disease Prevention and Control of the Department of Health;
- (6) the State Lottery;
- (7) criminal investigators of the Department of Revenue;
- (8) state-owned community service facilities in the Department of Human Services;
- (9) the Office of the Attorney General; ~~and~~
- (10) the investigative staff of the Gambling Control Board; and
- (11) the Department of Corrections inmate community work crew program under section 352.91, subdivision 3g.

Sec. 25. Minnesota Statutes 2020, section 16B.98, is amended by adding a subdivision to read:

Subd. 12. **Grants administration.** It is the policy of the legislature to ensure that grant activities and outcomes of programs and services funded by legislative appropriations are administered by state agencies in accordance with this section and section 16B.97. Unless amounts are otherwise appropriated for administrative costs, a state agency may retain up to five percent of the amount appropriated to the agency for grants enacted by the legislature and formula grants and up to ten percent for competitively awarded grants. This subdivision applies to appropriations made for new grant programs enacted July 1, 2021.

Sec. 26. Minnesota Statutes 2020, section 43A.23, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) The commissioner is authorized to request proposals or to negotiate and to enter into contracts with parties which in the judgment of the commissioner are best qualified to provide service to the benefit plans. Contracts entered into are not subject to the requirements of sections 16C.16 to 16C.19. The commissioner may negotiate premium rates and coverage. The commissioner shall consider the cost of the plans, conversion options relating to the contracts, service capabilities, character, financial position, and reputation of the carriers, and any other factors which the commissioner deems appropriate. Each benefit contract must be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. A carrier licensed under chapter 62A is exempt from the taxes imposed by chapter 297I on premiums paid to it by the state.

(b) All self-insured hospital and medical service products must comply with coverage mandates, data reporting, and consumer protection requirements applicable to the licensed carrier administering the product, had the product been insured, including chapters 62J, 62M, and 62Q. Any self-insured products that limit coverage to a network of providers or provide different levels of coverage between network and nonnetwork providers shall comply with section 62D.123 and geographic access standards for health maintenance organizations adopted by the commissioner of health in rule under chapter 62D.

(c) Notwithstanding paragraph (b), a self-insured hospital and medical product offered under sections 43A.22 to 43A.30 is required to extend dependent coverage to an eligible employee's child to the full extent required under chapters 62A and 62L. Dependent child coverage must, at a minimum, extend to an eligible employee's dependent child to the limiting age as defined in section 62Q.01, subdivision 2a, disabled children to the extent required in sections 62A.14 and 62A.141, and dependent grandchildren to the extent required in sections 62A.042 and 62A.302.

(d) Beginning January 1, 2010, the health insurance benefit plans offered in the commissioner's plan under section 43A.18, subdivision 2, and the managerial plan under section 43A.18, subdivision 3, ~~must~~ may include an option for a health plan that is compatible with the definition of a high-deductible health plan in section 223 of the United States Internal Revenue Code.

Sec. 27. Minnesota Statutes 2020, section 138.081, subdivision 1, is amended to read:

Subdivision 1. **Department of Administration as agency to accept federal funds.** The Department of Administration is hereby designated the state agency with power to accept any and all money provided for or made available to this state by the United States of America or any department or agency thereof for surveys, restoration, construction, equipping, or other purposes relating to the State Historic ~~sites~~ Preservation Program in accordance with the provisions of federal law and any rules or regulations promulgated thereunder and are further authorized to do any and all things required of this state by such federal law and the rules and regulations promulgated thereunder in order to obtain such federal money.

Sec. 28. Minnesota Statutes 2020, section 138.081, subdivision 2, is amended to read:

Subd. 2. **Commissioner's responsibilities.** The commissioner as the state historic preservation officer shall be responsible for the preparation, implementation and administration of the State Historic Preservation Plan and shall administer the State Historic Preservation Program authorized by the National Historic Preservation Act (United States Code, title ~~46~~ 54, section ~~470~~ 300101 et seq. ~~as amended~~). The commissioner shall review and approve in writing all grants-in-aid for architectural, archaeological and historic preservation made by state agencies and funded by the state or a combination of state and federal funds in accordance with the State Historic Preservation Program.

Sec. 29. Minnesota Statutes 2020, section 138.081, subdivision 3, is amended to read:

Subd. 3. **Administration of federal act.** The ~~Department of Administration~~ Minnesota Historical Society is designated as the state agency to administer the provisions of the federal act providing for the preservation of historical and archaeological data, United States Code, title ~~46~~, sections ~~469 to 469C~~ 54, section 312501, as amended, insofar as the provisions of the act provide for implementation by the state.

Sec. 30. Minnesota Statutes 2020, section 138.31, is amended by adding a subdivision to read:

Subd. 13a. **State Historic Preservation Office.** "State Historic Preservation Office" means the State Historic Preservation Office at the Department of Administration.

Sec. 31. Minnesota Statutes 2020, section 138.34, is amended to read:

138.34 ADMINISTRATION OF THE ACT.

The state archaeologist shall act as the agent of the state to administer and enforce the provisions of sections 138.31 to 138.42. Some enforcement provisions are shared with the society and the State Historic Preservation Office.

Sec. 32. Minnesota Statutes 2020, section 138.40, is amended to read:

138.40 COOPERATION OF STATE AGENCIES; DEVELOPMENT PLANS.

Subdivision 1. **Cooperation.** The Department of Natural Resources, the Department of Transportation, and all other state agencies whose activities may be affected, shall cooperate with the historical society, the State Historic Preservation Office, and the state archaeologist to carry out the provisions of sections 138.31 to 138.42 and the rules issued thereunder, but sections 138.31 to 138.42 are not meant to burden persons who wish to use state property for recreational and other lawful purposes or to unnecessarily restrict the use of state property.

Subd. 2. **Compliance, enforcement, preservation.** State and other governmental agencies shall comply with and aid in the enforcement of provisions of sections 138.31 to 138.42. Conservation officers and other enforcement officers of the Department of Natural Resources shall enforce the provisions of sections 138.31 to 138.42 and report violations to the ~~director of the society~~ state archaeologist. When archaeological or historic sites are known or, based on scientific investigations are predicted to exist on public lands or waters, the agency or department controlling said lands or waters shall use the professional services of archaeologists from the University of Minnesota, Minnesota Historical Society, or other qualified professional archaeologists, to preserve these sites. In the event that archaeological excavation is required to protect or preserve these sites, state and other governmental agencies may use their funds for such activities.

Subd. 3. **Review of plans.** When significant archaeological or historic sites are known or, based on scientific investigations, are predicted to exist on public lands or waters, the agency or department controlling said lands or waters shall submit construction or development plans to the state archaeologist and the ~~director of the society~~ State Historic Preservation Office for review prior to the time bids are advertised. The state archaeologist and the ~~society~~ State Historic Preservation Office shall promptly review such plans and within 30 days of receiving the plans shall make recommendations for the preservation of archaeological or historic sites which may be endangered by construction or development activities. When archaeological or historic sites are related to Indian history or religion, the state archaeologist shall submit the plans to the Indian Affairs Council for the council's review and recommend action.

Sec. 33. Minnesota Statutes 2020, section 138.665, subdivision 2, is amended to read:

Subd. 2. **Mediation.** The state, state departments, agencies, and political subdivisions, including the Board of Regents of the University of Minnesota, have a responsibility to protect the physical features and historic character of properties designated in sections 138.662 and 138.664 or listed on the National Register of Historic Places created by Public Law 89-665. Before carrying out any undertaking that will affect designated or listed properties, or funding or licensing an undertaking by other parties, the state department or agency shall consult with the State Historic Preservation Office pursuant to the ~~society's~~ State Historic Preservation Office's established procedures to determine appropriate treatments and to seek ways to avoid and mitigate any adverse effects on designated or listed properties. If the state department or agency and the State Historic Preservation Office agree in writing on a suitable course of action, the project may proceed. If the parties cannot agree, any one of the parties may request that the governor appoint and convene a mediation task force consisting of five members, two appointed by the governor, the chair of the State Review Board of the State Historic Preservation Office, the commissioner of administration or the commissioner's designee, and one member ~~who is not an employee of the Minnesota Historical Society~~ appointed by the director of the Minnesota Historical Society. The two appointees of the governor and ~~the one~~ of the director of the society shall be qualified by training or experience in one or more of the following disciplines: (1) history; (2) archaeology; and (3) architectural history. The mediation task force is not subject to the conditions of section 15.059. This subdivision does not apply to section 138.662, subdivision 24, and section 138.664, subdivisions 8 and 111.

Sec. 34. Minnesota Statutes 2020, section 138.666, is amended to read:

138.666 COOPERATION.

The state, state departments and agencies, political subdivisions, and the Board of Regents of the University of Minnesota shall cooperate with the Minnesota Historical Society and the State Historic Preservation Office in safeguarding state historic sites and in the preservation of historic and archaeological properties.

Sec. 35. Minnesota Statutes 2020, section 138.667, is amended to read:

138.667 HISTORIC PROPERTIES; CHANGES.

Properties designated as historic properties by sections 138.661 to 138.664 may be changed from time to time, and the Minnesota Historical Society and the State Historic Preservation Office shall notify the legislature of the need for changes, and shall make recommendations to keep the state historic sites network and the state register of

historic places current and complete. The significance of properties proposed for designation under section 138.663, subdivision 2, shall be documented under the documentation standards established by the Minnesota Historical Society. This State Historic Preservation Office. Documentation shall include the opinion of the Minnesota Historical Society for the historic sites network under section 138.661, subdivision 3, and the State Historic Preservation Office for the state register of historic places under section 138.663, subdivision 2, as to whether the property meets the selection criteria.

Sec. 36. Minnesota Statutes 2020, section 138.763, subdivision 1, is amended to read:

Subdivision 1. **Membership.** There is a St. Anthony Falls Heritage Board consisting of 22 members with the director of the Minnesota Historical Society as chair. The members include the mayor; the chair of the Hennepin County Board of Commissioners or the chair's designee; the president of the Minneapolis Park and Recreation Board or the president's designee; the superintendent of the park board; two members each from the house of representatives appointed by the speaker, the senate appointed by the Rules Committee, the city council, the Hennepin County Board, and the park board; one member each from the preservation commission, the State Historic Preservation Office, Hennepin County Historical Society, and the society; one person appointed by the park board; and two persons appointed by the chair of the board.

Sec. 37. Minnesota Statutes 2020, section 211B.20, subdivision 1, is amended to read:

Subdivision 1. **Prohibition.** (a) It is unlawful for a person, either directly or indirectly, to deny access to an apartment house, dormitory, nursing home, manufactured home park, other multiple unit facility used as a residence, or an area in which two or more single-family dwellings are located on private roadways to ~~a candidate~~ an individual who ~~has~~:

- (1) has organized a campaign committee under applicable federal or state law;
- (2) has filed a financial report as required by section 211A.02; ~~or~~
- (3) has filed an affidavit of candidacy for elected office; ~~or~~
- (4) is a United States Census Bureau employee.

A candidate granted access under this section must be allowed to be accompanied by campaign volunteers.

(b) For candidates, access to a facility or area is only required if it is located within the district or territory that will be represented by the office to which the candidate seeks election, and the candidate and any accompanying campaign volunteers seek access exclusively for the purpose of campaigning for a candidate or registering voters. The candidate must be seeking election to office at the next general or special election to be held for that office.

(c) A candidate and any accompanying campaign volunteers granted access under this section must be permitted to leave campaign materials for residents at their doors, except that the manager of a nursing home may direct that the campaign materials be left at a central location within the facility. The campaign materials must be left in an orderly manner.

(d) If a facility or area contains multiple buildings, a candidate and accompanying volunteers must be permitted to access more than one building on a single visit, but access is limited to only one building at a time. If multiple candidates are traveling together, each candidate and that candidate's accompanying volunteers is limited to one building at a time, but all of the candidates and accompanying volunteers traveling together must not be restricted to accessing the same building at the same time.

(e) For a United States Census Bureau employee, access to a facility or area is only required if it is part of their official work duties on a decennial census of population. United States Census Bureau employees working on other surveys and censuses are not granted access under this section.

(f) A United States Census Bureau employee must be permitted to leave census materials for residents at their doors. The census materials must be left in an orderly manner.

(g) If a facility or area contains multiple buildings, a United States Census Bureau employee must be permitted to access more than one building on a single visit. If multiple employees are traveling together, they must not be restricted to accessing the same building at the same time.

(h) A violation of this section is a petty misdemeanor.

Sec. 38. Minnesota Statutes 2020, section 270B.13, is amended by adding a subdivision to read:

Subd. 3. **Background check; access to federal tax information.** An individual performing services for an independent contractor or a vendor under subdivision 1 who has or will have access to federal tax information is subject to the requirements of section 299C.76.

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

Sec. 39. Minnesota Statutes 2020, section 270C.21, is amended to read:

270C.21 TAXPAYER ASSISTANCE GRANTS.

Subdivision 1. **Taxpayer assistance.** When the commissioner awards grants to ~~nonprofit~~ eligible organizations to coordinate, facilitate, encourage, and aid in the provision of taxpayer assistance services, the commissioner must provide public notice of the grants in a timely manner so that the grant process is completed and grants are awarded by October 1, in order for recipient eligible organizations to adequately plan expenditures for the filing season. At the time the commissioner provides public notice, the commissioner must also notify ~~nonprofit~~ eligible organizations that received grants in the previous biennium.

Subd. 2. **Eligible organization.** "Eligible organization" means an organization that meets the definition of eligible organization provided in section 7526A(e)(2)(B) of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for grants awarded after June 30, 2021.

Sec. 40. **[299C.76] BACKGROUND CHECK; ACCESS TO FEDERAL TAX INFORMATION.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following definitions apply.

(b) "Federal tax information" means federal tax returns and return information or information derived or created from federal tax returns, in possession of or control by the requesting agency, that is covered by the safeguarding provisions of section 6103(p)(4) of the Internal Revenue Code.

(c) "IRS Publication 1075" means Internal Revenue Service Publication 1075 that provides guidance and requirements for the protection and confidentiality of federal tax information as required in section 6103(p)(4) of the Internal Revenue Code.

(d) "National criminal history record information" means the Federal Bureau of Investigation identification records as defined in Code of Federal Regulations, title 28, section 20.3(d).

(e) "Requesting agency" means the Department of Revenue, Department of Employment and Economic Development, Department of Human Services, board of directors of MNsure, the Office of MN.IT Services, and counties.

Subd. 2. **National criminal history record information check.** As required by IRS Publication 1075, a requesting agency shall require fingerprints for a national criminal history record information check from the following individuals who have or will have access to federal tax information:

- (1) a current or prospective permanent or temporary employee of the requesting agency;
- (2) an independent contractor or vendor of the requesting agency;
- (3) an employee or agent of an independent contractor or vendor of the requesting agency; or
- (4) any other individual authorized to access federal tax information by the requesting agency.

Subd. 3. **Fingerprint submission and written statement of understanding.** An individual subject to this section must provide fingerprints and a written statement of understanding that the fingerprints will be used for a background check to the requesting agency. The requesting agency must submit the fingerprints and written statement of understanding, along with the processing fees, to the superintendent of the Bureau of Criminal Apprehension. The fingerprints must only be used for the purposes described in this section.

Subd. 4. **Bureau of Criminal Apprehension requirements.** (a) After the superintendent of the Bureau of Criminal Apprehension notifies requesting agencies that the United States Attorney General has approved the request for submission under Public Law 92-544, a requesting agency may submit information under subdivision 3.

(b) Upon receipt of the information under subdivision 3, the superintendent of the Bureau of Criminal Apprehension must:

- (1) perform a state criminal history record information search;
- (2) exchange the fingerprints to the Federal Bureau of Investigation to facilitate a search of the national criminal history record information;
- (3) compile the results of the state and national criminal history record information searches; and
- (4) provide the results to the requesting agency.

Subd. 5. **Classification of data.** (a) All data collected, created, received, maintained, or disseminated by the requesting agency under this section is classified as private data on individuals as defined in section 13.02, subdivision 12.

(b) Notwithstanding any law to the contrary, a requesting agency must not further disseminate the results received under subdivision 4.

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

Sec. 41. Minnesota Statutes 2020, section 349.151, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The board consists of seven members, as follows: (1) five members appointed by the governor; (2) one member appointed by the commissioner of public safety; and (3) one member appointed by the attorney general.

(b) All appointments under this subdivision are with the advice and consent of the senate.

(c) ~~After expiration of the initial terms,~~ Appointments are for four years. A member may continue holding office until a successor is appointed unless, prior to the expiration of the member's term, the appointing authority notifies the board that a member's appointment may not be extended.

(d) The board shall select one of its members to serve as chair. No more than three members appointed by the governor under this subdivision may belong to the same political party.

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

Sec. 42. Minnesota Statutes 2020, section 473.24, is amended to read:

473.24 POPULATION ESTIMATES.

(a) The Metropolitan Council shall annually prepare an estimate of population for each county, city, and town in the metropolitan area and an estimate of the number of households and average household size for each city in the metropolitan area with a population of 2,500 or more, and an estimate of population over age 65 for each county in the metropolitan area, and convey the estimates to the governing body of each county, city, or town by June 1 each year or, in a year following a decennial census, within six weeks of the date the data are provided by the United States Census Bureau in that year. In the case of a city or town that is located partly within and partly without the metropolitan area, the Metropolitan Council shall estimate the proportion of the total population and the average size of households that reside within the area. The Metropolitan Council may prepare an estimate of the population and of the average household size for any other political subdivision located in the metropolitan area.

(b) A governing body may challenge an estimate made under this section by filing its specific objections in writing with the Metropolitan Council by June 24. If the challenge does not result in an acceptable estimate, the governing body may have a special census conducted by the United States Bureau of the Census. The political subdivision must notify the Metropolitan Council on or before July 1 of its intent to have the special census conducted. The political subdivision must bear all costs of the special census. Results of the special census must be received by the Metropolitan Council by the next April 15 to be used in that year's June 1 estimate under this section. In the year following a decennial census, challenges to the census count must be submitted to the United States Census Bureau through its formal challenge process. The Metropolitan Council shall certify the estimates of population and the average household size to the state demographer and to the commissioner of revenue by July 15 each year, including any estimates still under objection, except that in a year following a decennial census, the estimate must be certified within six weeks of the date the data are provided by the United States Census Bureau in that year.

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

Sec. 43. **PURPOSE; BACKGROUND CHECKS TO ACCESS FEDERAL TAX INFORMATION.**

It is the intent of the legislature to ensure compliance with section 6103 of the Internal Revenue Code and IRS Publication 1075.

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

Sec. 44. **RACIAL EQUITY IMPACT ASSESSMENT WORKING GROUP.**

Subdivision 1. Working group established; membership. (a) A Racial Equity Impact Assessment Working Group is established. The working group consists of the following members:

(1) the commissioner of human rights or the commissioner's designee;

(2) a representative of the Center for Economic Inclusion;

(3) a representative of Voices for Racial Justice;

(4) three members of the public, appointed by the commissioner of human rights;

(5) two business community representatives designated by the Minnesota Business Partnership;

(6) four members affiliated with community-based organizations that represent people of color and indigenous communities, appointed by the speaker of the house; and

(7) four members affiliated with community-based organizations that represent people of color and indigenous communities, appointed by the majority leader of the senate.

(b) In making appointments, the speaker of the house and the majority leader of the senate must consult with the members of the People of Color and Indigenous Caucus within each respective body.

(c) The commissioner of management and budget, the state demographer, the state economist, and the director of the Legislative Budget Office serve as ex-officio, nonvoting members of the working group.

Subd. 2. **Duties.** (a) The working group must develop recommendations for the preparation of a racial equity impact note for proposed legislation. In conducting its work, the group must engage members of racial and ethnic groups disproportionately impacted by disparities. The working group must consider racial equity analysis procedures for legislation proposed in other states, and identify sources of disaggregated data that could be used in the development and completion of a racial equity impact note in Minnesota.

(b) The working group must submit a report describing its recommendations by February 1, 2022, to the chairs and ranking minority members of the house of representatives Ways and Means and State Government Finance and Elections committees, and the senate Finance and State Government Finance and Policy and Elections committees. The report may include draft legislation to codify the working group's recommendations.

(c) At its discretion, the working group may continue to study and make additional reports following the submission of its initial report under paragraph (b).

(d) For purposes of this section, "disparities" includes but is not limited to the difference in economic, employment, health, education, housing, or public safety outcomes between the state population as a whole and racial and ethnic subgroups of the population.

Subd. 3. **Administration; assistance of experts.** (a) The executive director of the Legislative Budget Office shall convene the first meeting of the working group no later than September 1, 2021, and serves as the working group's executive secretary. Upon request of the working group members, the executive director of the Legislative Budget Office must arrange meeting space and provide administrative support for the group.

(b) In conducting its work, the working group may request the assistance of private sector experts specializing in issues related to the economic impacts of racial inequity.

Subd. 4. **Chair.** The members of the working group must elect a chair or cochairs at the initial meeting.

Subd. 5. **Compensation.** Members of the working group serve without compensation.

Subd. 6. **Gifts and grants.** The working group may accept gifts and grants, which are accepted on behalf of the state and constitute donations to the state. Funds received under this subdivision are appropriated to the Legislative Budget Office for purposes of the working group.

Subd. 7. **Deadline for appointments and designations.** The appointments and designations authorized by this section must be completed by August 1, 2021.

Subd. 8. **Expiration.** The working group expires September 1, 2023.

Sec. 45. **SENSORY ACCESSIBILITY ACCOMMODATIONS GRANTS.**

(a) The Minnesota Council on Disability shall award grants to state organizations, counties, cities, and private holders of public access space to fund building modifications to provide sensory accessibility or accommodations to increase accessible community involvement and access for individuals who have autism spectrum disorder or a related disability or other nonvisible health issue with sensory impacts. Grantees may use grants to modify public space to:

- (1) create sensory-friendly spaces;
- (2) modify public use space to meet sensory-friendly design standards;
- (3) equip a facility with mobile tool kits to support sensory needs; or
- (4) provide quiet zones or times of service.

Grantees must also complete disability training to provide staff with the skills necessary to successfully incorporate building modifications that support individuals within the sensory modifications made.

(b) The council may use up to ten percent of this appropriation for grants administration.

(c) By February 15, 2024, the council shall report to the legislative committees having jurisdiction over health and public safety policy on how this appropriation was spent and what results were achieved.

Sec. 46. **CHECK OR DEBIT CARD FOR CERTAIN GAMBLING PURCHASES.**

Notwithstanding Minnesota Statutes, section 349.2127, subdivision 7, during a telephone communication initiated by persons seeking to purchase a raffle ticket, an organization may accept a check or debit card for raffle purchases, provided a debit card is checked against a nationally recognized database of bank identification numbers that confirms the card is a debit card.

EFFECTIVE DATE. This section is effective the day following final enactment and expires July 1, 2022.

Sec. 47. **REVISOR INSTRUCTION.**

The revisor of statutes shall change "central motor pool" to "enterprise fleet" wherever the term appears in Minnesota Statutes.

Sec. 48. **REPEALER.**

Subdivision 1. **Legislative auditor.** Minnesota Statutes 2020, sections 3.972, subdivisions 2c and 2d; 3.9741, subdivision 5; and 299D.03, subdivision 2a, are repealed.

Subd. 2. **Employee gainsharing.** Minnesota Statutes 2020, section 16A.90, is repealed.

Subd. 3. **Interagency agreements and transfers.** Minnesota Statutes 2020, section 15.0395, is repealed.

Subd. 4. **Department of Administration.** Minnesota Statutes 2020, sections 4A.11; 179.90; and 179.91, are repealed.

ARTICLE 3 ELECTIONS ADMINISTRATION

Section 1. Minnesota Statutes 2020, section 5.30, subdivision 2, is amended to read:

Subd. 2. **Appropriation.** ~~Notwithstanding section 4.07, Money in the Help America Vote Act account may be spent only pursuant to direct appropriations enacted from time to time by law. Money in the account must be spent~~ is appropriated to the secretary of state to improve the administration of elections in accordance with the Help America Vote Act, the state plan certified by the governor under the act, and for reporting and administrative requirements under the act and plan. To the extent required by federal law, money in the account must be used in a manner that is consistent with the maintenance of effort requirements of section 254(a)(7) of the Help America Vote Act, Public Law 107-252, based on the level of state expenditures for the fiscal year ending June 30, 2000.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to any balances of money in the Help America Vote Act account existing on or after that date.

Sec. 2. Minnesota Statutes 2020, section 5B.06, is amended to read:

5B.06 VOTING BY PROGRAM PARTICIPANT; ABSENTEE BALLOT.

A program participant who is otherwise eligible to vote may register with the secretary of state as a permanent absentee voter. Notwithstanding section 203B.04, subdivision 5, the secretary of state is not required to send an absentee ballot application prior to each election to a program participant registered as a permanent absentee voter under this section. As soon as practicable before each election, the secretary of state shall determine the precinct in which the residential address of ~~the a~~ program participant is located ~~and~~. Upon making a precinct determination, the secretary of state shall either (1) request from and receive from the county auditor or other election official the ballot for that precinct and shall forward mail the absentee ballot to the program participant with the other, or (2) using the Minnesota statewide voter registration system, prepare the program participant's ballot for that precinct and mail the absentee ballot to the program participant. The secretary of state shall include with each mailed absentee ballot all corresponding materials for absentee balloting as required by Minnesota law. The program participant shall complete the ballot and return it to the secretary of state, who shall review the ballot in the manner provided by section 203B.121, subdivision 2. If the ballot and ballot materials comply with the requirements of that section, the ballot must be certified by the secretary of state as the ballot of a program participant, and must be forwarded to the appropriate electoral jurisdiction for tabulation along with all other ballots. The name and address of a program participant must not be listed in the statewide voter registration system.

Sec. 3. Minnesota Statutes 2020, section 8.31, subdivision 1, is amended to read:

Subdivision 1. **Investigate offenses against provisions of certain designated sections; assist in enforcement.** The attorney general shall investigate violations of and assist in the enforcement of the following laws as in this section provided:

(1) the law of this state respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade, and specifically, but not exclusively, the Nonprofit Corporation Act (sections 317A.001 to 317A.909), the Act Against Unfair Discrimination and Competition (sections 325D.01 to 325D.07), the Unlawful Trade Practices Act

(sections 325D.09 to 325D.16), the Antitrust Act (sections 325D.49 to 325D.66), section 325F.67 and other laws against false or fraudulent advertising, the antidiscrimination acts contained in section 325D.67, the act against monopolization of food products (section 325D.68), the act regulating telephone advertising services (section 325E.39), the Prevention of Consumer Fraud Act (sections 325F.68 to 325F.70), and chapter 53A regulating currency exchanges ~~and assist in the enforcement of those laws as in this section provided;~~ and

(2) section 211B.075 regulating voter intimidation, interference, and deceptive practices in elections.

Sec. 4. Minnesota Statutes 2020, section 13.607, is amended by adding a subdivision to read:

Subd. 9. **Data derived from driver's license or Minnesota identification card applications.** Data on an application for a driver's license or a Minnesota identification card transferred to the secretary of state that are provided by a person whom the secretary of state determines is not eligible to vote are governed by section 201.161.

Sec. 5. Minnesota Statutes 2020, section 135A.17, subdivision 2, is amended to read:

Subd. 2. **Residential housing list.** All postsecondary institutions that enroll students accepting ~~state or~~ federal financial aid may prepare a current list of students enrolled in the institution and residing in the institution's housing or within ten miles of the institution's campus. All postsecondary institutions that enroll students accepting state financial aid must prepare a current list of students enrolled in the institution and residing in the institution's housing or within ten miles of the institution's campus. The list shall include each student's current address, unless the student is enrolled in the Safe at Home address confidentiality program as provided in chapter 5B. The list shall be certified and sent to the appropriate county auditor or auditors for use in election day registration as provided under section 201.061, subdivision 3. A residential housing list provided under this subdivision may not be used or disseminated by a county auditor or the secretary of state for any other purpose.

Sec. 6. Minnesota Statutes 2020, section 201.014, is amended by adding a subdivision to read:

Subd. 2a. **Felony conviction; restoration of civil right to vote.** An individual convicted of a felony has the civil right to vote restored when the individual is no longer incarcerated for the felony conviction, or upon sentencing if no incarceration is imposed. If the individual is later incarcerated for the same offense, the individual's civil right to vote is lost only during the period of incarceration.

Sec. 7. Minnesota Statutes 2020, section 201.071, subdivision 1, is amended to read:

Subdivision 1. **Form.** Both paper and electronic voter registration applications must contain the same information unless otherwise provided by law. A voter registration application must contain spaces for the following required information: voter's first name, middle name, and last name; voter's previous name, if any; voter's current address; voter's previous address, if any; voter's date of birth; voter's municipality and county of residence; voter's telephone number, if provided by the voter; date of registration; current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification, the last four digits of the voter's Social Security number; and voter's signature. The paper registration application may include the voter's e-mail address, if provided by the voter. The electronic voter registration application must include the voter's e-mail address. The registration application may include the voter's interest in serving as an election judge, if indicated by the voter. The application must also contain the following certification of voter eligibility:

"I certify that I:

(1) will be at least 18 years old on election day;

(2) am a citizen of the United States;

(3) will have ~~resided~~ maintained residence in Minnesota for 20 days immediately preceding election day;

(4) maintain residence at the address given on the registration form;

(5) am not under court-ordered guardianship in which the court order revokes my right to vote;

(6) have not been found by a court to be legally incompetent to vote;

(7) ~~have the right to vote because, if I have been convicted of a felony, my felony sentence has expired (been completed) or I have been discharged from my sentence~~ am not currently incarcerated for a conviction of a felony offense; and

(8) have read and understand the following statement: that giving false information is a felony punishable by not more than five years imprisonment or a fine of not more than \$10,000, or both."

The certification must include boxes for the voter to respond to the following questions:

"(1) Are you a citizen of the United States?" and

"(2) Will you be 18 years old on or before election day?"

And the instruction:

"If you checked 'no' to either of these questions, do not complete this form."

The form of the voter registration application and the certification of voter eligibility must be as provided in this subdivision and approved by the secretary of state. Voter registration forms authorized by the National Voter Registration Act must also be accepted as valid. The federal postcard application form must also be accepted as valid if it is not deficient and the voter is eligible to register in Minnesota.

An individual may use a voter registration application to apply to register to vote in Minnesota or to change information on an existing registration.

Sec. 8. Minnesota Statutes 2020, section 201.071, subdivision 2, is amended to read:

Subd. 2. **Instructions.** (a) A registration application shall be accompanied by instructions specifying the manner and method of registration, the qualifications for voting, the penalties for false registration, and the availability of registration and voting assistance for elderly and disabled individuals and residents of health care facilities and hospitals.

(b) The instructions must indicate that ~~if the voter does not have~~ must provide a valid Minnesota driver's license or identification card number, or the last four digits of the voter's Social Security number ~~must be provided, unless the voter does not have a Social Security number, unless the voter has not been issued one of those numbers.~~

(c) If, prior to election day, a person requests the instructions in Braille, audio format, or in a version printed in 16-point bold type with 24-point leading, the county auditor shall provide them in the form requested. The secretary of state shall prepare Braille and audio copies and make them available.

Sec. 9. Minnesota Statutes 2020, section 201.071, subdivision 3, is amended to read:

Subd. 3. **Deficient registration.** ~~No~~ (a) A voter registration application is not deficient if it contains the voter's:

(1) name, address, and date of birth;

~~(2) current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification number, the last four digits of the voter's Social Security number, if the voter has been issued a Social Security number;~~

~~(3) prior registration, if any; and~~

~~(4) signature.~~

~~(b) A voter registration application is not deficient due to any of the following:~~

~~(1) the absence of a zip code number does not cause the registration to be deficient;~~

~~(2) failure to check a box on an application form that a voter has certified to be true does not cause the registration to be deficient; or~~

~~(3) the absence of a number listed under paragraph (a), clause (2), if the voter has not been issued one of those numbers and the information can be verified in another government database associated with the applicant's name and date of birth, or the application was accepted before January 1, 2004.~~

~~The election judges shall request an individual to correct a voter registration application if it is deficient or illegible. No eligible voter may be prevented from voting unless the voter's registration application is deficient or the voter is duly and successfully challenged in accordance with section 201.195 or 204C.12.~~

~~(c) A voter registration application:~~

~~(1) accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a voter registration application accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the registration deficient; and~~

~~A voter registration application accepted before January 1, 2004, is not deficient for lack of a valid Minnesota driver's license or state identification number or the last four digits of a Social Security number.~~

~~A voter registration application submitted by a voter who does not have a Minnesota driver's license or state identification number, or a Social Security number, is not deficient for lack of any of these numbers.~~

~~A voter registration application (2) submitted electronically through the website of the secretary of state prior to April 30, 2014, is not invalid as a result of its electronic submission.~~

~~(d) An election judge must request an individual to correct a voter registration application if it is deficient or illegible. An eligible voter must not be prevented from voting unless the voter's registration application is deficient or the voter's eligibility to vote is successfully challenged under section 201.195 or 204C.12.~~

Sec. 10. Minnesota Statutes 2020, section 201.071, subdivision 8, is amended to read:

Subd. 8. **School district assistance.** School districts shall assist county auditors in determining the school district in which a voter ~~resides~~ maintains residence.

Sec. 11. Minnesota Statutes 2020, section 201.091, subdivision 2, is amended to read:

Subd. 2. **Corrected list.** By February 15 of each year, the secretary of state shall prepare the master list for each county auditor. The records in the statewide registration system must be periodically corrected and updated by the county auditor. An updated master list for each precinct must be available for absentee voting at least 46 days before each election. A final corrected master list must be available ~~seven~~ 14 days before each election.

Sec. 12. Minnesota Statutes 2020, section 201.12, subdivision 2, is amended to read:

Subd. 2. **Moved within state.** If any nonforwardable mailing from an election official is returned as undeliverable but with a permanent forwarding address in this state, the county auditor may change the voter's status to "inactive" in the statewide registration system and shall transmit a copy of the mailing to the auditor of the county in which the new address is located. If an election is scheduled to occur in the precinct in which the voter ~~resides~~ maintains residence in the next 47 days, the county auditor shall promptly update the voter's address in the statewide voter registration system. If there is not an election scheduled, the auditor may wait to update the voter's address until after the next list of address changes is received from the secretary of state. Once updated, the county auditor shall mail to the voter a notice stating the voter's name, address, precinct, and polling place, except that if the voter's record is challenged due to a felony conviction, noncitizenship, name change, incompetence, or a court's revocation of voting rights of individuals under guardianship, the auditor must not mail the notice. The notice must advise the voter that the voter's voting address has been changed and that the voter must notify the county auditor within 21 days if the new address is not the voter's address of residence. The notice must state that it must be returned if it is not deliverable to the voter at the named address.

Sec. 13. Minnesota Statutes 2020, section 201.121, subdivision 3, is amended to read:

Subd. 3. **Postelection sampling.** (a) Within ten days after an election, the county auditor shall send the notice required by subdivision 2 to a random sampling of the individuals registered on election day. The random sampling shall be determined in accordance with the rules of the secretary of state. As soon as practicable after the election, the county auditor shall mail the notice required by subdivision 2 to all other individuals registered on election day. If a notice is returned as not deliverable, the county auditor shall attempt to determine the reason for the return. A county auditor who does not receive or obtain satisfactory proof of an individual's eligibility to vote shall immediately notify the county attorney of all of the relevant information. ~~The~~ By February 15 of each odd-numbered year, the county auditor must notify the secretary of state of the following information for the previous state general election by each precinct:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that the county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

(b) By March 1 of every odd-numbered year, the secretary of state shall report to the chair and ranking minority members of the legislative committees with jurisdiction over elections the following information for the previous state general election by each precinct and each county:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that a county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

Sec. 14. Minnesota Statutes 2020, section 201.13, subdivision 3, is amended to read:

Subd. 3. **Use of change of address system.** (a) At least once each month the secretary of state shall obtain a list of individuals registered to vote in this state who have filed with the United States Postal Service a change of their permanent address. The secretary of state may also periodically obtain a list of individuals with driver's licenses or state identification cards to identify those who are registered to vote who have applied to the Department of Public Safety for a replacement driver's license or state identification card with a different address, and a list of individuals for whom the Department of Public Safety received notification of a driver's license or state identification card cancellation due to a change of residency out of state. However, the secretary of state shall not load data derived from these lists into the statewide voter registration system within the 47 days before the state primary or 47 days before a November general election.

(b) If the address is changed to another address in this state, the secretary of state shall locate the precinct in which the voter ~~resides~~ maintains residence, if possible. If the secretary of state is able to locate the precinct in which the voter ~~resides~~ maintains residence, the secretary must transmit the information about the changed address by electronic means to the county auditor of the county in which the new address is located. For addresses for which the secretary of state is unable to determine the precinct, the secretary may forward information to the appropriate county auditors for individual review. If the voter has not voted or submitted a voter registration application since the address change, upon receipt of the information, the county auditor shall update the voter's address in the statewide voter registration system. The county auditor shall mail to the voter a notice stating the voter's name, address, precinct, and polling place, unless the voter's record is challenged due to a felony conviction, noncitizenship, name change, incompetence, or a court's revocation of voting rights of individuals under guardianship, in which case the auditor must not mail the notice. The notice must advise the voter that the voter's voting address has been changed and that the voter must notify the county auditor within 21 days if the new address is not the voter's address of residence. The notice must state that it must be returned if it is not deliverable to the voter at the named address.

(c) If the change of permanent address is to an address outside this state, the secretary of state shall notify by electronic means the auditor of the county where the voter formerly ~~resided~~ maintained residence that the voter has moved to another state. If the voter has not voted or submitted a voter registration application since the address change, the county auditor shall promptly mail to the voter at the voter's new address a notice advising the voter that the voter's status in the statewide voter registration system will be changed to "inactive" unless the voter notifies the county auditor within 21 days that the voter is retaining the former address as the voter's address of residence, except that if the voter's record is challenged due to a felony conviction, noncitizenship, name change, incompetence, or a court's revocation of voting rights of individuals under guardianship, the auditor must not mail the notice. If the notice is not received by the deadline, the county auditor shall change the voter's status to "inactive" in the statewide voter registration system.

(d) If, in order to maintain voter registration records, the secretary of state enters an agreement to share information or data with an organization governed exclusively by a group of states, the secretary must first determine that the data security protocols are sufficient to safeguard the information or data shared. If required by such an agreement, the secretary of state may share the following data from the statewide voter registration system and data released to the secretary of state under section 171.12, subdivision 7a:

- (1) name;
- (2) date of birth;
- (3) address;

- (4) driver's license or state identification card number;
- (5) the last four digits of an individual's Social Security number; and
- (6) the date that an individual's record was last updated.

If the secretary of state enters into such an agreement, the secretary and county auditors must process changes to voter records based upon that data in accordance with this section. Except as otherwise provided in this subdivision, when data is shared with the secretary of state by another state, the secretary of state must maintain the same data classification that the data had while it was in the possession of the state providing the data.

Sec. 15. Minnesota Statutes 2020, section 201.161, is amended to read:

201.161 DRIVER'S LICENSE AND IDENTIFICATION CARD APPLICATIONS AUTOMATIC VOTER REGISTRATION.

Subdivision 1. **Automatic registration.** Except as otherwise provided in this section, an individual must be registered to vote if the individual is eligible to vote under section 201.014 and properly completes and submits one of the following applications, if the application otherwise requires documentation of citizenship:

- (1) an application for a new or renewed Minnesota driver's license or identification card; or
- (2) an application for benefits or services to a state agency participating under subdivision 4.

Subd. 2. **Option to decline registration.** After an individual submits an application qualifying for registration under this section, a county auditor must provide, by mail, a notice of the option and the procedures necessary to decline to be registered to vote pursuant to subdivision 6 and section 201.12, subdivision 1. An individual must not be registered to vote if the individual declines to be registered within 20 days of submitting the application. The individual must continue to be offered an opportunity to be registered upon completion or submission of a qualifying application unless the individual presents documentation demonstrating a lack of citizenship or a failure to meet other eligibility criteria.

Subd. 3. **Department of Public Safety.** (a) The ~~Department~~ commissioner of public safety ~~shall, in consultation with the secretary of state, must change its~~ the applications for an original, duplicate, or change of address driver's license or identification card so that the forms may also serve as voter registration applications, ~~if the application otherwise includes verification of the applicant's citizenship.~~ The forms must contain spaces for all information ~~collected by voter registration applications required to register to vote, as prescribed by the secretary of state. Applicants for driver's licenses or identification cards must be asked if they want to register to vote at the same time and that~~ Unless the applicant has provided an address other than the applicant's address of residence under section 171.12, subdivision 7, paragraph (d), the commissioner must transmit the information ~~must be transmitted at least weekly~~ daily by electronic means to the secretary of state. Pursuant to the Help America Vote Act of 2002, Public Law 107-252, the computerized driver's license record containing the voter's name, address, date of birth, citizenship, driver's license number or state identification number, signature image, county, ~~town,~~ and city or town must be made available for access by the secretary of state and interaction with the statewide voter registration system. At least monthly, the commissioner must submit data to the secretary of state identifying the total number of people applying for services in a manner that qualifies for voter registration under this section and the total number of individuals whose records were actually transferred for registration.

(b) Information on an applicant for a form of an original, duplicate, or change of address driver's license or identification card that does not include verification of citizenship must not be transmitted to the secretary of state. The commissioner must provide these applicants with information on the voting eligibility and the requirements for registering to vote at the time of the transaction.

(c) An applicant must not be registered to vote under this subdivision until the commissioner of public safety has certified that the department's systems have been tested and can accurately provide the required data, and the secretary of state has certified that the system for automatic registration of those applicants has been tested and is capable of properly determining whether an applicant is eligible to vote. The department's systems must be tested and accurately provide the necessary date no later than June 1, 2022.

(d) For purposes of this section, "driver's license" includes any instruction permit, provisional license, limited license, restricted license, or operator's permit issuable by the commissioner of public safety under chapter 171.

Subd. 4. Other agencies and units of government. (a) The commissioner of any state agency, and the administrative head of any local government or the government of a federally recognized Indian tribe within the state, in consultation with the secretary of state, may cause any form or application within its jurisdiction to serve as a voter registration application, if the form or application already provides verification of an applicant's United States citizenship. The form or application must contain spaces for all information required to register to vote as prescribed by the secretary of state. The commissioner or administrative head must transmit the information daily by electronic means to the secretary of state on any individual whose United States citizenship has been verified. At least monthly, the commissioner must submit data to the secretary of state identifying the total number of people applying for services in a manner that qualifies for voter registration under this section, and the total number of individuals whose records were actually transferred for registration.

(b) The commissioner or administrative head, in consultation with the secretary of state, may cause any form or application within its jurisdiction to serve as an update to the address on an applicant's existing voter registration record. The commissioner or administrative head must transmit the information daily by electronic means to the secretary of state. At least monthly, the commissioner or administrative head must submit data to the secretary of state identifying the total number of people applying for services in a manner that qualifies for a voter registration address update under this paragraph, and the total number of individuals whose records were actually transferred for updates.

(c) An applicant must not be registered to vote under this subdivision until the agency's commissioner, or the administrative head of the local or tribal government, has certified that the necessary systems have been tested and can accurately provide the required data, and the secretary of state has certified that the system for automatic registration of those applicants has been tested and is capable of properly determining whether an applicant is eligible to vote.

Subd. 5. Registration. (a) The secretary of state must determine whether an applicant whose information is submitted under this section is currently registered in the statewide voter registration system. For each currently registered voter whose registration is not changed, the secretary of state must update the voter's registration date in the statewide voter registration system. For each currently registered voter whose registration is changed, the secretary of state must transmit the registration daily by electronic means to the county auditor of the county where the voter resides.

(b) If the applicant is not currently registered in the statewide voter registration system, the secretary of state must determine whether the applicant is 18 years of age or older and a citizen of the United States. The secretary of state must also compare the voter registration information received under section 201.145 to determine whether the applicant is eligible to vote. If an applicant is less than 18 years of age, the secretary of state must wait until the applicant has turned 18 years of age to determine whether the applicant is eligible to vote. For each applicant the secretary of state determines is an eligible voter, the secretary of state must transmit the registration daily by electronic means to the county auditor of the county where the voter resides.

(c) Any data on applicants who the secretary determines are not eligible to vote are private data on individuals, as defined in section 13.02, subdivision 12.

(d) The county auditor must inactivate the voter's record in the statewide voter registration system upon receipt of a written request, signed by the voter, that the registration be inactivated.

Subd. 6. **Notice.** Upon receipt of the registration information, the county auditor must provide to the voter the notice of registration required by section 201.121, subdivision 2. A notice mailed under this subdivision must include information on declining the registration within the period authorized by subdivision 2, if the voter does not wish to be registered to vote. The secretary of state may adopt rules prescribing the notice required by this subdivision and subdivision 2.

Subd. 7. **Prosecution of registration violations; voluntary action required.** Unless an individual knows of the individual's ineligibility to vote and intentionally takes voluntary action to become registered, the transfer of the individual's record under this section does not constitute completion or submission of a voter registration application by that individual. If an application is processed and the individual is registered by the state under this section, the application and registration is presumed to have been officially authorized by the state and the individual is not subject to penalty under this section or other applicable law if the individual is subsequently determined to be ineligible.

Subd. 8. **Effective date.** A registration application completed pursuant to this section that is dated during the 20 days before an election is not effective until the day after the election. This subdivision does not limit the ability of a person to register to vote on election day as provided in section 201.061, subdivision 3. Any person who submits an application under this section that is dated during the 20 days before an election shall be provided at the time of application with a notice advising the applicant of the procedures to register to vote on election day.

Sec. 16. Minnesota Statutes 2020, section 201.1611, subdivision 1, is amended to read:

Subdivision 1. **Forms.** All postsecondary institutions that enroll students accepting state or federal financial aid shall provide voter registration forms to each student as early as possible in the fall quarter. All school districts shall make available voter registration applications each May and September to all students registered as students of the school district who will be eligible to vote at the next election after those months. A school district has no obligation to provide voter registration applications to students who participate in a postsecondary education option program or who otherwise ~~reside~~ maintain residence in the district but do not attend a school operated by the district. A school district fulfills its obligation to a student under this section if it provides a voter registration application to the student one time. The forms must contain spaces for the information required in section 201.071, subdivision 1, and applicable rules of the secretary of state. The institutions and school districts may request these forms from the secretary of state. Institutions shall consult with their campus student government in determining the most effective means of distributing the forms and in seeking to facilitate election day registration of students under section 201.061, subdivision 3. School districts must advise students that completion of the voter registration application is not a school district requirement.

Sec. 17. Minnesota Statutes 2020, section 201.162, is amended to read:

201.162 DUTIES OF STATE AGENCIES.

The commissioner or chief administrative officer of each state agency or community-based public agency or nonprofit corporation that contracts with the state agency to carry out obligations of the state agency shall provide voter registration services for employees and the public including, as applicable, automatic voter registration or information on voter eligibility and registration procedures as required under section 201.161. A person may complete a voter registration application or apply to change a voter registration name or address if the person has the proper qualifications on the date of application. Nonpartisan voter registration assistance, including routinely asking members of the public served by the agency whether they would like to register to vote and, if necessary, assisting them in preparing the registration forms must be part of the job of appropriate agency employees.

Sec. 18. Minnesota Statutes 2020, section 201.225, subdivision 2, is amended to read:

Subd. 2. **Technology requirements.** An electronic roster must:

(1) be able to be loaded with a data file that includes voter registration data in a file format prescribed by the secretary of state;

(2) allow for data to be exported in a file format prescribed by the secretary of state;

(3) allow for data to be entered manually or by scanning a Minnesota driver's license or identification card to locate a voter record or populate a voter registration application that would be printed and signed and dated by the voter. The printed registration application can be either a printed form, labels printed with voter information to be affixed to a preprinted form, or a combination of both;

(4) allow an election judge to update data that was populated from a scanned driver's license or identification card;

(5) cue an election judge to ask for and input data that is not populated from a scanned driver's license or identification card that is otherwise required to be collected from the voter or an election judge;

(6) immediately alert the election judge if the voter has provided information that indicates that the voter is not eligible to vote;

(7) immediately alert the election judge if the electronic roster indicates that a voter has already voted in that precinct, the voter's registration status is challenged, or it appears the voter ~~resides~~ maintains residence in a different precinct;

(8) provide immediate instructions on how to resolve a particular type of challenge when a voter's record is challenged;

(9) provide for a printed voter signature certificate, containing the voter's name, address of residence, date of birth, voter identification number, the oath required by section 204C.10, and a space for the voter's original signature. The printed voter signature certificate can be either a printed form or a label printed with the voter's information to be affixed to the oath;

(10) contain only preregistered voters within the precinct, and not contain preregistered voter data on voters registered outside of the precinct;

(11) be only networked within the polling location on election day, except for the purpose of updating absentee ballot records;

(12) meet minimum security, reliability, and networking standards established by the Office of the Secretary of State in consultation with the Office of MN.IT Services;

(13) be capable of providing a voter's correct polling place; and

(14) perform any other functions necessary for the efficient and secure administration of the participating election, as determined by the secretary of state.

Electronic rosters used only for election day registration do not need to comply with clauses (1), (8), and (10). Electronic rosters used only for preregistered voter processing do not need to comply with clauses (4) and (5).

Sec. 19. **[201.276] DUTIES OF SECRETARY OF STATE; INFORMATION ABOUT VOTING RIGHTS.**

The secretary of state shall develop accurate and complete information in a single publication about the voting rights of people who have been charged with or convicted of a crime. This publication must be made available electronically to the state court administrator for distribution to judges, court personnel, probation officers, and the commissioner of corrections for distribution to corrections officials, parole and supervised release agents, and the public.

Sec. 20. Minnesota Statutes 2020, section 202A.11, subdivision 2, is amended to read:

Subd. 2. **Right to use.** A major political party which has adopted a party name is entitled to the exclusive use of that name for the designation of its candidates on all ballots, and no candidate of any other political party is entitled to have printed on a ballot as a party designation any part of that name. Improper use of a major political party's name may be the subject of a petition filed under section 204B.44.

Sec. 21. Minnesota Statutes 2020, section 202A.16, subdivision 1, is amended to read:

Subdivision 1. **Eligible voters.** Only those individuals who are or will be eligible to vote at the time of the next state general election, may vote or be elected a delegate or officer at the precinct caucus. An eligible voter may vote or be elected a delegate or officer only in the precinct where the voter ~~resides~~ maintains residence at the time of the caucus.

Sec. 22. Minnesota Statutes 2020, section 203B.01, subdivision 3, is amended to read:

Subd. 3. **Military.** "Military" means the Army, Navy, Air Force, Marine Corps, Coast Guard or Merchant Marine of the United States, all other uniformed services as defined in United States Code, title 52, section 20310, and military forces as defined by section 190.05, subdivision 3, or any eligible citizen of Minnesota enrolled as a student at the United States Naval Academy, the United States Coast Guard Academy, the United States Merchant Marine Academy, the United States Air Force Academy, or the United States Military Academy.

Sec. 23. Minnesota Statutes 2020, section 203B.01, is amended by adding a subdivision to read:

Subd. 5. **Utility worker.** "Utility worker" means an employee of a public utility as defined by section 216B.02, subdivision 4.

Sec. 24. Minnesota Statutes 2020, section 203B.02, is amended by adding a subdivision to read:

Subd. 4. **Emergency response providers.** Any trained or certified emergency response provider or utility worker who is deployed during the time period authorized by law for absentee voting, on election day, or during any state of emergency declared by the President of the United States or any governor of any state within the United States may vote by absentee ballot either as provided by sections 203B.04 to 203B.15 or sections 203B.16 to 203B.27.

Sec. 25. Minnesota Statutes 2020, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. **Application procedures.** (a) Except as otherwise allowed by subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided by the secretary of state and shall furnish them to any person on request. By January 1 of each even-numbered year, the secretary of state shall make the forms to be used available to auditors through electronic means. An application submitted pursuant to this subdivision shall be in writing. An application may be submitted in person, by electronic facsimile device, by electronic mail, or by mail to:

(1) the county auditor of the county where the applicant maintains residence; or

(2) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

For a federal, state, or county election, an absentee ballot application may alternatively be submitted electronically through a secure website that shall be maintained by the secretary of state for this purpose. Notwithstanding paragraph (b), the secretary of state must require applicants using the website to submit the applicant's e-mail address and verifiable Minnesota driver's license number, Minnesota state identification card number, or the last four digits of the applicant's Social Security number.

An application submitted electronically under this paragraph may only be transmitted to the county auditor for processing if the secretary of state has verified the application information matches the information in a government database associated with the applicant's driver's license number, state identification card number, or Social Security number. The secretary of state must review all unverifiable applications for evidence of suspicious activity and must forward any such application to an appropriate law enforcement agency for investigation.

(b) An application shall be approved if it is timely received, signed and dated by the applicant, contains the applicant's name and residence and mailing addresses, date of birth, and at least one of the following:

(1) the applicant's Minnesota driver's license number;

(2) Minnesota state identification card number;

(3) the last four digits of the applicant's Social Security number; or

(4) a statement that the applicant does not have any of these numbers.

(c) To be approved, the application must contain an oath that the information contained on the form is accurate, that the applicant is applying on the applicant's own behalf, and that the applicant is signing the form under penalty of perjury.

(d) An applicant's full date of birth, Minnesota driver's license or state identification number, and the last four digits of the applicant's Social Security number must not be made available for public inspection. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device. An application mailed or returned in person to the county auditor or municipal clerk on behalf of a voter by a person other than the voter must be deposited in the mail or returned in person to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election. The absentee ballot applications or a list of persons applying for an absentee ballot may not be made available for public inspection until the close of voting on election day, except as authorized in section 203B.12, and must be available to the public in the same manner as public information lists in section 201.091, subdivisions 4, 5, and 9.

(e) An application under this subdivision may contain an application under subdivision 5 to automatically receive an absentee ballot application.

Sec. 26. Minnesota Statutes 2020, section 203B.081, subdivision 1, is amended to read:

Subdivision 1. **Location; timing.** An eligible voter may vote by absentee ballot in the office of the county auditor and at any other polling place designated by the county auditor during the 46 days before the election, except as provided in this section. The county auditor shall make such polling place designations at least 14 weeks before the election. Voters casting absentee ballots in person for a town election held in March may do so during the 30 days before the election.

Sec. 27. Minnesota Statutes 2020, section 203B.081, subdivision 2, is amended to read:

Subd. 2. ~~Town elections~~ **Voting booth; electronic ballot marker.** ~~Voters casting absentee ballots in person for a town election held in March may do so during the 30 days before the election. The county auditor shall make such designations at least 14 weeks before the election. For purposes of this section, the county auditor must make available in each polling place (1) at least one voting booth in each polling place must be made available by the county auditor for this purpose. The county auditor must also make available, and (2) at least one electronic ballot marker in each polling place that has implemented a voting system that is accessible for individuals with disabilities pursuant to section 206.57, subdivision 5.~~

Sec. 28. Minnesota Statutes 2020, section 203B.081, subdivision 3, is amended to read:

Subd. 3. **Alternative procedure.** (a) The county auditor may make available a ballot counter and ballot box for use by the voters during the ~~seven~~ 14 days before the election. If a ballot counter and ballot box is provided, a voter must be given the option either (1) to vote using the process provided in section 203B.08, subdivision 1, or (2) to vote in the manner provided in this subdivision.

(b) If a voter chooses to vote in the manner provided in this subdivision, the voter must state the voter's name, address, and date of birth to the county auditor or municipal clerk. The voter shall sign a voter's certificate, which must include the voter's name, identification number, and the certification required by section 201.071, subdivision 1. The signature of an individual on the voter's certificate and the issuance of a ballot to the individual is evidence of the intent of the individual to vote at that election.

(c) After signing the voter's certificate, the voter shall be issued a ballot and immediately retire to a voting station or other designated location in the polling place to mark the ballot. The ballot must not be taken from the polling place. If the voter spoils the ballot, the voter may return it to the election official in exchange for a new ballot. After completing the ballot, the voter shall deposit the ballot into the ballot box.

(d) The election official must immediately record that the voter has voted in the manner provided in section 203B.121, subdivision 3.

(e) The election duties required by this subdivision must be performed by the county auditor, municipal clerk, or a deputy of the auditor or clerk.

(f) The secretary of state must prepare voting instructions in languages other than English for use by voters casting a ballot under this subdivision. At a minimum, the instructions must be prepared and made available in print, electronic, and audiovisual formats in the Spanish, Hmong, and Somali languages.

Sec. 29. Minnesota Statutes 2020, section 203B.11, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) Each full-time municipal clerk or school district clerk who has authority under section 203B.05 to administer absentee voting laws shall designate election judges to deliver absentee ballots in accordance with this section. The county auditor must also designate election judges to perform the duties in this section. A ballot may be delivered only to an eligible voter who is a temporary or permanent resident or patient in a health care facility or hospital located in the municipality in which the voter maintains residence. The ballots shall be delivered by two election judges, each of whom is affiliated with a different major political party. When the election judges deliver or return ballots as provided in this section, they shall travel together in the same vehicle. Both election judges shall be present when an applicant completes the certificate of eligibility and marks the absentee ballots, and may assist an applicant as provided in section 204C.15. The election judges shall deposit the return envelopes containing the marked absentee ballots in a sealed container and return them to the clerk on the same day that they are delivered and marked.

(b) At the discretion of a full-time municipal clerk, school district clerk, or county auditor, absentee ballots may be delivered in the same manner as prescribed in paragraph (a) to a veterans home operated under chapter 198 or a shelter for battered women as defined in section 611A.37, subdivision 4.

Sec. 30. Minnesota Statutes 2020, section 203B.12, subdivision 7, is amended to read:

Subd. 7. **Names of persons; rejected absentee ballots.** (a) The names of voters who have submitted an absentee ballot to the county auditor or municipal clerk that has not been accepted may not be made available for public inspection until the close of voting on election day.

(b) After the close of voting on election day, the lists must be available to the public in the same manner as public information lists in section 201.091, subdivisions 4, 5, and 9.

Sec. 31. Minnesota Statutes 2020, section 203B.121, subdivision 2, is amended to read:

Subd. 2. **Duties of ballot board; absentee ballots.** (a) The members of the ballot board shall take possession of all ~~return~~ signature envelopes delivered to them in accordance with section 203B.08. Upon receipt from the county auditor, municipal clerk, or school district clerk, two or more members of the ballot board shall examine each ~~return~~ signature envelope and shall mark it accepted or rejected in the manner provided in this subdivision. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10, subdivision 2.

(b) The members of the ballot board shall mark the ~~return~~ signature envelope "Accepted" and initial or sign the ~~return~~ signature envelope below the word "Accepted" if a majority of the members of the ballot board examining the envelope are satisfied that:

(1) the voter's name and address on the ~~return~~ signature envelope are the same as the information provided on the absentee ballot application;

(2) the voter signed the certification on the envelope;

(3) the voter's Minnesota driver's license, state identification number, or the last four digits of the voter's Social Security number are the same as a number on the voter's absentee ballot application or voter record. If the number does not match, the election judges must compare the signature provided by the applicant to determine whether the ballots were returned by the same person to whom they were transmitted;

(4) the voter is registered and eligible to vote in the precinct or has included a properly completed voter registration application in the ~~return~~ signature envelope;

(5) the certificate has been completed as prescribed in the directions for casting an absentee ballot; and

(6) the voter has not already voted at that election, either in person or, if it is after the close of business on the ~~seventh~~ 14th day before the election, by absentee ballot.

The ~~return~~ signature envelope from accepted ballots must be preserved and returned to the county auditor.

(c)(1) If a majority of the members of the ballot board examining a ~~return~~ signature envelope find that an absentee voter has failed to meet one of the requirements provided in paragraph (b), they shall mark the ~~return~~ signature envelope "Rejected," initial or sign it below the word "Rejected," list the reason for the rejection on the envelope, and return it to the county auditor. There is no other reason for rejecting an absentee ballot beyond those permitted by this section. Failure to place the ballot within the ~~security~~ secrecy envelope before placing it in the outer white envelope is not a reason to reject an absentee ballot.

(2) If an envelope has been rejected at least five days before the election, the envelope must remain sealed and the official in charge of the ballot board shall provide the voter with a replacement absentee ballot and return envelope in place of the rejected ballot.

(3) If an envelope is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or e-mail to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

(d) The official in charge of the absentee ballot board must mail the voter a written notice of absentee ballot rejection between six and ten weeks following the election. If the official determines that the voter has otherwise cast a ballot in the election, no notice is required. If an absentee ballot arrives after the deadline for submission provided by this chapter, the notice must be provided between six to ten weeks after receipt of the ballot. A notice of absentee ballot rejection must contain the following information:

(1) the date on which the absentee ballot was rejected or, if the ballot was received after the required deadline for submission, the date on which the ballot was received;

(2) the reason for rejection; and

(3) the name of the appropriate election official to whom the voter may direct further questions, along with appropriate contact information.

(e) An absentee ballot ~~return~~ signature envelope marked "Rejected" may not be opened or subject to further review except in an election contest filed pursuant to chapter 209.

Sec. 32. Minnesota Statutes 2020, section 203B.121, subdivision 3, is amended to read:

Subd. 3. **Record of voting.** (a) When applicable, the county auditor or municipal clerk must immediately record that a voter's absentee ballot has been accepted. After the close of business on the ~~seventh~~ 14th day before the election, a voter whose record indicates that an absentee ballot has been accepted must not be permitted to cast another ballot at that election. In a state primary, general, or state special election for federal or state office, the auditor or clerk must also record this information in the statewide voter registration system.

(b) The roster must be marked, and a supplemental report of absentee voters who submitted a voter registration application with their ballot must be created, no later than the start of voting on election day to indicate the voters that have already cast a ballot at the election. The roster may be marked either:

(1) by the county auditor or municipal clerk before election day;

(2) by the ballot board before election day; or

(3) by the election judges at the polling place on election day.

The record of a voter whose absentee ballot was received after the close of business on the ~~seventh~~ 14th day before the election is not required to be marked on the roster or contained in a supplemental report as required by this paragraph.

Sec. 33. Minnesota Statutes 2020, section 203B.121, subdivision 4, is amended to read:

Subd. 4. **Opening of envelopes.** After the close of business on the ~~seventh~~ 14th day before the election, the ballots from ~~return~~ secrecy envelopes within the signature envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided in section 206.86, subdivision 5, initialed by the members of the ballot board, and deposited in the appropriate ballot box. If more than one voted ballot is enclosed in the ballot envelope, the ballots must be returned in the manner provided by section 204C.25 for return of spoiled ballots, and may not be counted.

Sec. 34. Minnesota Statutes 2020, section 203B.16, subdivision 2, is amended to read:

Subd. 2. **Indefinite residence outside United States.** Sections 203B.16 to 203B.27 provide the exclusive voting procedure for United States citizens who are living indefinitely outside the territorial limits of the United States who meet all the qualifications of an eligible voter except residence in Minnesota, but who are authorized by federal law to vote in Minnesota because they or, if they have never ~~resided~~ maintained residence in the United States, a parent maintained residence in Minnesota for at least 20 days immediately prior to their departure from the United States. Individuals described in this subdivision shall be permitted to vote only for the offices of president, vice-president, senator in Congress, and representative in Congress.

Sec. 35. Minnesota Statutes 2020, section 203B.24, subdivision 1, is amended to read:

Subdivision 1. **Check of voter eligibility; proper execution of certificate.** Upon receipt of an absentee ballot returned as provided in sections 203B.16 to 203B.27, the election judges shall compare the voter's name with the names recorded under section 203B.19 in the statewide registration system to insure that the ballot is from a voter eligible to cast an absentee ballot under sections 203B.16 to 203B.27. The election judges shall mark the return envelope "Accepted" and initial or sign the return envelope below the word "Accepted" if the election judges are satisfied that:

(1) the voter's name and address on the return envelope appears in substantially the same form as on the application records provided to the election judges by the county auditor;

(2) the voter has signed the federal oath prescribed pursuant to section 705(b)(2) of the Help America Vote Act, Public Law 107-252;

(3) the voter has set forth the same voter's passport number, or Minnesota driver's license or state identification card number, or the last four digits of the voter's Social Security number as submitted on the application, if the voter has one of these documents;

(4) the voter is not known to have died; and

(5) the voter has not already voted at that election, either in person or by absentee ballot.

If the identification number described in clause (3) does not match the number as submitted on the application, the election judges must make a reasonable effort to satisfy themselves through other information provided by the applicant, or by an individual authorized to apply on behalf of the voter, that the ballots were returned by the same person to whom the ballots were transmitted.

An absentee ballot cast pursuant to sections 203B.16 to 203B.27 may only be rejected for the lack of one of clauses (1) to (5). In particular, failure to place the ballot within the ~~security~~ secrecy envelope before placing it in the outer white envelope is not a reason to reject an absentee ballot.

Election judges must note the reason for rejection on the back of the envelope in the space provided for that purpose.

Failure to return unused ballots shall not invalidate a marked ballot, but a ballot shall not be counted if the certificate on the return envelope is not properly executed. In all other respects the provisions of the Minnesota Election Law governing deposit and counting of ballots shall apply. Notwithstanding other provisions of this section, the counting of the absentee ballot of a deceased voter does not invalidate the election.

Sec. 36. Minnesota Statutes 2020, section 204B.06, subdivision 1b, is amended to read:

Subd. 1b. **Address and telephone number.** (a) An affidavit of candidacy must state a telephone number where the candidate can be contacted. An affidavit must also state the candidate's address of residence as determined under section 200.031, or at the candidate's request in accordance with paragraph (c), the candidate's campaign contact address. The form for the affidavit of candidacy must allow the candidate to request, if eligible, that the candidate's address of residence be classified as private data, and to provide the certification required under paragraph (c) for classification of that address.

(b) For an office whose residency requirement must be satisfied by the close of the filing period, a registered voter in this state may request in writing that the filing officer receiving the affidavit of candidacy review the address as provided in this paragraph, at any time up to one day after the last day for filing for office. If requested, the filing officer must determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. If the filing officer determines that the address is not within the area represented by the office, the filing officer must immediately notify the candidate and the candidate's name must be removed from the ballot for that office. A determination made by a filing officer under this paragraph is subject to judicial review under section 204B.44.

(c) If the candidate requests that the candidate's address of residence be classified as private data, the candidate must list the candidate's address of residence on a separate form to be attached to the affidavit. The candidate must also certify on the affidavit that either:

(1) a police report has been submitted or an order for protection has been issued, or the candidate has a reasonable fear in regard to the safety of the candidate or the candidate's family; or

~~that~~ (2) the candidate's address is otherwise private pursuant to Minnesota law.

The address of residence provided by a candidate who makes a request for classification on the candidate's affidavit of candidacy and provides the certification required by this paragraph is classified as private data, as defined in section 13.02, subdivision 12, but may be reviewed by the filing officer as provided in this subdivision.

(d) The requirements of this subdivision do not apply to affidavits of candidacy for a candidate for: (1) judicial office; (2) the office of county attorney; or (3) county sheriff.

Sec. 37. Minnesota Statutes 2020, section 204B.06, subdivision 4a, is amended to read:

Subd. 4a. **State and local offices.** Candidates who seek nomination for the following offices shall state the following additional information on the affidavit:

(1) for governor or lieutenant governor, that on the first Monday of the next January the candidate will be 25 years of age or older and, on the day of the state general election, a resident of Minnesota for not less than one year;

(2) for supreme court justice, court of appeals judge, or district court judge, that the candidate is learned in the law;

(3) for county, municipal, school district, or special district office, that the candidate meets any other qualifications for that office prescribed by law;

(4) for senator or representative in the legislature, that on the day of the general or special election to fill the office the candidate will have ~~resided~~ maintained residence not less than one year in the state and not less than six months in the legislative district from which the candidate seeks election.

Sec. 38. Minnesota Statutes 2020, section 204B.09, subdivision 1, is amended to read:

Subdivision 1. **Candidates in state and county general elections.** (a) Except as otherwise provided by this subdivision, affidavits of candidacy and nominating petitions for county, state, and federal offices filled at the state general election shall be filed not more than 84 days nor less than 70 days before the state primary. The affidavit may be prepared and signed at any time between 60 days before the filing period opens and the last day of the filing period.

(b) Notwithstanding other law to the contrary, the affidavit of candidacy must be signed in the presence of a notarial officer or an individual authorized to administer oaths under section 358.10.

(c) This provision does not apply to candidates for presidential elector nominated by major political parties. Major party candidates for presidential elector are certified under section 208.03. Other candidates for presidential electors may file petitions at least 77 days before the general election day pursuant to section 204B.07. Nominating petitions to fill vacancies in nominations shall be filed as provided in section 204B.13. No affidavit or petition shall be accepted later than 5:00 p.m. on the last day for filing.

(d) Affidavits and petitions for county offices must be filed with the county auditor of that county. Affidavits and petitions for federal offices must be filed with the secretary of state. Affidavits and petitions for state offices must be filed with the secretary of state or with the county auditor of the county in which the candidate ~~resides~~ maintains residence.

(e) Affidavits other than those filed pursuant to subdivision 1a must be submitted by mail or by hand, notwithstanding chapter 325L, or any other law to the contrary and must be received by 5:00 p.m. on the last day for filing.

Sec. 39. Minnesota Statutes 2020, section 204B.09, subdivision 3, is amended to read:

Subd. 3. **Write-in candidates.** (a) A candidate for county, state, or federal office who wants write-in votes for the candidate to be counted must file a written request with the filing office for the office sought not more than 84 days before the primary and no later than the ~~seventh~~ 14th day before the general election. The filing officer shall provide copies of the form to make the request. ~~No~~ The filing officer shall not accept a written request ~~shall be accepted~~ later than 5:00 p.m. on the last day for filing a written request.

(b) A candidate for president of the United States who files a request under this subdivision must ~~include the name of a candidate for vice president of the United States.~~ file jointly with another individual seeking nomination as a candidate for vice president of the United States. ~~A candidate for vice president of the United States who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for president of the United States.~~ The request must also include the name of at least one candidate for presidential elector. The total number of names of candidates for presidential elector on the request may not exceed the total number of electoral votes to be cast by Minnesota in the presidential election.

(c) A candidate for governor who files a request under this subdivision must ~~include the name of a candidate for lieutenant governor.~~ file jointly with another individual seeking nomination as a candidate for lieutenant governor. ~~A candidate for lieutenant governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for governor.~~

Sec. 40. Minnesota Statutes 2020, section 204B.13, is amended by adding a subdivision to read:

Subd. 6a. **Candidates for federal office.** This section does not apply to a vacancy in nomination for a federal office.

Sec. 41. Minnesota Statutes 2020, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. **Authority; location.** (a) By December 31 of each year, the governing body of each municipality and of each county with precincts in unorganized territory must designate by ordinance or resolution ~~a polling place for each election precinct. The polling places designated in the ordinance or resolution are the polling places for the following calendar year, unless a change is made:~~ any changes to a polling place location. A polling place must be maintained for the following calendar year unless changed:

(1) by ordinance or resolution by December 31 of the previous year;

~~(1)~~ (2) pursuant to section 204B.175;

~~(2)~~ (3) because a polling place has become unavailable; or

~~(3)~~ (4) because a township designates one location for all state, county, and federal elections and one location for all township only elections.

(b) Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a city or in a school district located in whole or in part in the metropolitan area defined by section 200.02, subdivision 24, shall be located within the boundaries of the precinct or within one mile of one of those boundaries unless a single polling place is designated for a city pursuant to section 204B.14, subdivision 2, or a school district pursuant to section 205A.11. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within a town or within a school district located outside the metropolitan area defined by section 200.02, subdivision 24, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

Sec. 42. Minnesota Statutes 2020, section 204B.19, subdivision 6, is amended to read:

Subd. 6. **High school students.** Notwithstanding any other requirements of this section, a student enrolled in a high school in Minnesota or who is in a home school in compliance with sections 120A.22 and 120A.24, who has attained the age of 16 is eligible to be appointed as a ~~without party affiliation~~ trainee election judge, without party affiliation, in the county in which the student ~~resides~~ maintains residence, or a county adjacent to the county in which the student ~~resides~~ maintains residence. The student must meet qualifications for trainee election judges specified in rules of the secretary of state. A student appointed as a trainee election judge may be excused from school attendance during the hours that the student is serving as a trainee election judge if the student submits a written request signed and approved by the student's parent or guardian to be absent from school and a certificate from the appointing authority stating the hours during which the student will serve as a trainee election judge to the principal of the school at least ten days prior to the election. Students shall not serve as trainee election judges after 10:00 p.m. Notwithstanding section 177.24 to the contrary, trainee election judges may be paid not less than two-thirds of the minimum wage for a large employer. The principal of the school may approve a request to be absent from school conditioned on acceptable academic performance at the time of service as a trainee election judge. A school board may determine that students are eligible to receive credit for serving as a trainee election judge.

Sec. 43. Minnesota Statutes 2020, section 204B.21, subdivision 2, is amended to read:

Subd. 2. **Appointing authority; powers and duties.** (a) Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts in unorganized territory and for performing election-related duties assigned by the county auditor shall be appointed by the county board. Election

judges for a precinct composed of two or more municipalities must be appointed by the governing body of the municipality or municipalities responsible for appointing election judges as provided in the agreement to combine for election purposes.

(b) Except as otherwise provided in this section, appointments shall be made from the list of voters who ~~reside~~ maintain residence in each precinct, furnished pursuant to subdivision 1, subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. At least two election judges in each precinct must be affiliated with different major political parties.

(c) If no lists have been furnished or if additional election judges are required after all listed names in that municipality have been exhausted, the appointing authority may appoint other individuals who meet the qualifications to serve as an election judge, including persons on the list furnished pursuant to subdivision 1 who indicated a willingness to travel to the municipality, and persons who are not affiliated with a major political party. An individual who is appointed from a source other than the list furnished pursuant to subdivision 1 must provide to the appointing authority the individual's major political party affiliation or a statement that the individual does not affiliate with any major political party. An individual who refuses to provide the individual's major political party affiliation or a statement that the individual does not affiliate with a major political party must not be appointed as an election judge.

(d) The appointing authority must, whenever possible, recruit bilingual high school students to serve as trainee election judges pursuant to section 204B.19.

(e) The appointments shall be made at least 25 days before the election at which the election judges will serve, except that the appointing authority may pass a resolution authorizing the appointment of additional election judges within the 25 days before the election if the appointing authority determines that additional election judges will be required.

Sec. 44. Minnesota Statutes 2020, section 204B.36, subdivision 2, is amended to read:

Subd. 2. **Candidates and offices.** The name of each candidate shall be printed at a right angle to the length of the ballot. At a general election the name of the political party or the political principle of each candidate for partisan office shall be printed above or below the name of the candidate. The name of a political party or a political principle shall be printed in capital and lowercase letters of the same type, with the capital letters at least one-half the height of the capital letters used for names of the candidates. At a general or special election, blank lines containing the words "write-in, if any" shall be printed below the name of the last candidate for each office, or below the title of the office if no candidate has filed for that office, so that a voter may write in the names of individuals whose names are not on the ballot. One blank line shall be printed for each officer of that kind to be elected. At a primary election, no blank lines shall be provided for writing in the names of individuals whose names do not appear on the primary ballot.

On the left side of the ballot at the same level with the name of each candidate and each blank line shall be printed an oval or similar target shape in which the voter may designate a vote by filling in the oval or similar mark if a different target shape is used. Each oval or target shape shall be the same size. Above the first name on each ballot shall be instructions for voting. Directly underneath the official title of each office shall be printed the words "Vote for one" or "Vote for up to ..." (any greater number to be elected).

Sec. 45. Minnesota Statutes 2020, section 204B.44, is amended to read:

204B.44 ERRORS AND OMISSIONS; REMEDY.

(a) Any individual may file a petition in the manner provided in this section for the correction of any of the following errors, omissions, or wrongful acts which have occurred or are about to occur:

(1) an error or omission in the placement or printing of the name or description of any candidate or any question on any official ballot, including the placement of a candidate on the official ballot who is not eligible to hold the office for which the candidate has filed;

(2) any other error in preparing or printing any official ballot;

(3) failure of the chair or secretary of the proper committee of a major political party to execute or file a certificate of nomination;

(4) any wrongful act, omission, or error of any election judge, municipal clerk, county auditor, canvassing board or any of its members, the secretary of state, or any other individual charged with any duty concerning an election.

(b) A major political party may file a petition in the manner provided in this section to prevent the use of the party's name on an official ballot in a manner that violates section 202A.11, subdivision 2.

~~(b)~~ (c) The petition shall describe the error, omission, or wrongful act and the correction sought by the petitioner. The petition shall be filed with any judge of the supreme court in the case of an election for state or federal office or any judge of the district court in that county in the case of an election for county, municipal, or school district office. The petitioner shall serve a copy of the petition on the officer, board or individual charged with the error, omission, or wrongful act, on all candidates for the office in the case of an election for state, federal, county, municipal, or school district office, and on any other party as required by the court. Upon receipt of the petition the court shall immediately set a time for a hearing on the matter and order the officer, board or individual charged with the error, omission or wrongful act to correct the error or wrongful act or perform the duty or show cause for not doing so. In the case of a review of a candidate's eligibility to hold office, the court may order the candidate to appear and present sufficient evidence of the candidate's eligibility. In the case of a review of a candidate's major political party designation, the court may order the candidate to appear and present sufficient evidence of the candidate's right to use the party's name. Evidence of a candidate's nomination for endorsement at a party's endorsing convention or engagement in the party's governance structure establishes a rebuttable presumption that the candidate is entitled to be designated by that party's name on a ballot. The court shall issue its findings and a final order for appropriate relief as soon as possible after the hearing. Failure to obey the order is contempt of court.

Sec. 46. Minnesota Statutes 2020, section 204B.45, subdivision 1, is amended to read:

Subdivision 1. **Authorization.** A town of any size ~~not located in a metropolitan county as defined by section 473.121,~~ or a city having fewer than 400 registered voters on June 1 of an election year ~~and not located in a metropolitan county as defined by section 473.121,~~ may provide balloting by mail at any municipal, county, or state election with no polling place other than the office of the auditor or clerk or other locations designated by the auditor or clerk. The governing body may apply to the county auditor for permission to conduct balloting by mail. The county board may provide for balloting by mail in unorganized territory. The governing body of any municipality may designate for mail balloting any precinct having fewer than 100 registered voters, subject to the approval of the county auditor.

Voted ballots may be returned in person to any location designated by the county auditor or municipal clerk.

Sec. 47. Minnesota Statutes 2020, section 204B.45, subdivision 2, is amended to read:

Subd. 2. **Procedure.** Notice of the election and the special mail procedure must be given at least ten weeks prior to the election. Not more than 46 days nor later than 14 days before a regularly scheduled election and not more than 30 days nor later than 14 days before any other election, the auditor shall mail ballots by nonforwardable mail to all voters registered in the city, town, or unorganized territory. No later than 14 days before the election, the auditor must make a subsequent mailing of ballots to those voters who register to vote after the initial mailing but

before the 20th day before the election. Eligible voters not registered at the time the ballots are mailed may apply for ballots as provided in chapter 203B. Ballot return envelopes, with return postage provided, must be preaddressed to the auditor or clerk and the voter may return the ballot by mail or in person to the office of the auditor or clerk. The auditor or clerk must appoint a ballot board to examine the mail and absentee ballot return envelopes and mark them "accepted" or "rejected" within three days of receipt if there are 14 or fewer days before election day, or within five days of receipt if there are more than 14 days before election day. The board may consist of deputy county auditors or deputy municipal clerks who have received training in the processing and counting of mail ballots, who need not be affiliated with a major political party. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10. If an envelope has been rejected at least five days before the election, the ballots in the envelope must remain sealed and the auditor or clerk shall provide the voter with a replacement ballot and return envelope in place of the spoiled ballot. If the ballot is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or e-mail to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

If the ballot is accepted, the county auditor or municipal clerk must mark the roster to indicate that the voter has already cast a ballot in that election. After the close of business on the ~~seventh~~ 14th day before the election, the ballots from return envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided by section 206.86, subdivision 5, initialed by the members of the ballot board, and deposited in the ballot box.

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

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

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

Sec. 48. Minnesota Statutes 2020, section 204B.46, is amended to read:

204B.46 MAIL ELECTIONS; QUESTIONS.

A county, municipality, or school district submitting questions to the voters at a special election may conduct an election by mail with no polling place other than the office of the auditor or clerk. No offices may be voted on at a mail election, except in overlapping school and municipality jurisdictions, where a mail election may include an office when one of the jurisdictions also has a question on the ballot. Notice of the election must be given to the county auditor at least 74 days prior to the election. This notice shall also fulfill the requirements of Minnesota Rules, part 8210.3000. The special mail ballot procedures must be posted at least six weeks prior to the election. Not more than 46 nor later than 14 days prior to the election, the auditor or clerk shall mail ballots by nonforwardable mail to all voters registered in the county, municipality, or school district. No later than 14 days before the election, the auditor or clerk must make a subsequent mailing of ballots to those voters who register to vote after the initial mailing but before the 20th day before the election. Eligible voters not registered at the time the ballots are mailed may apply for ballots pursuant to chapter 203B. The auditor or clerk must appoint a ballot board to examine the mail and absentee ballot return envelopes and mark them "Accepted" or "Rejected" within three days of receipt if there are 14 or fewer days before election day, or within five days of receipt if there are more than 14 days before election day. The board may consist of deputy county auditors, deputy municipal clerks, or deputy school district clerks who have received training in the processing and counting of mail ballots, who need not be affiliated with a major political party. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or

section 205A.10. If an envelope has been rejected at least five days before the election, the ballots in the envelope must remain sealed and the auditor or clerk must provide the voter with a replacement ballot and return envelope in place of the spoiled ballot. If the ballot is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or e-mail to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

If the ballot is accepted, the county auditor or municipal clerk must mark the roster to indicate that the voter has already cast a ballot in that election. After the close of business on the ~~seventh~~ 14th day before the election, the ballots from return envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided by section 206.86, subdivision 5, initialed by the ballot board, and deposited in the appropriate ballot box.

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

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

Sec. 49. Minnesota Statutes 2020, section 204C.05, subdivision 1a, is amended to read:

Subd. 1a. **Elections; organized town.** The governing body of a town with less than 500 inhabitants according to the most recent federal decennial census, which is located outside the metropolitan area as defined in section 200.02, subdivision 24, may fix a later time for voting to begin at state primary, special, or general elections, if approved by a vote of the town electors at the annual town meeting. The question of shorter voting hours must be included in the notice of the annual town meeting before the question may be submitted to the electors at the meeting. The later time may not be later than 10:00 a.m. for special, primary, or general elections. The town clerk shall either post or publish notice of the changed hours and notify the county auditor and the secretary of state of the change 30 days before the election.

Sec. 50. Minnesota Statutes 2020, section 204C.05, subdivision 1b, is amended to read:

Subd. 1b. **Elections; unorganized territory.** An unorganized territory or unorganized territories which constitute a voting district may have shorter voting hours if at least 20 percent of the registered voters residing in the voting district sign a petition for shorter hours and present it to the county auditor and secretary of state at least 30 days before the election. The later time may not be later than 10:00 a.m. for special, primary, or general elections. The county auditor shall either post or publish notice of the changed hours, within the voting district, 30 days before the election.

Sec. 51. Minnesota Statutes 2020, section 204C.10, is amended to read:

204C.10 POLLING PLACE ROSTER; VOTER SIGNATURE CERTIFICATE; VOTER RECEIPT.

(a) An individual seeking to vote shall sign a polling place roster or voter signature certificate which states that the individual;

(1) is at least 18 years of age;

(2) a citizen of the United States;

(3) has resided in Minnesota for 20 days immediately preceding the election;

(4) maintains residence at the address shown;

(5) is not under a guardianship in which the court order revokes the individual's right to vote;

(6) has not been found by a court of law to be legally incompetent to vote;

(7) has the right to vote because, if the individual was convicted of a felony, ~~the felony sentence has expired or been completed or the individual has been discharged from the sentence,~~ completed the term of incarceration, if any, for the conviction;

(8) is registered; and

(9) has not already voted in the election.

The roster must also state: "I understand that deliberately providing false information is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both."

(b) At the presidential nomination primary, the polling place roster must also state: "I am in general agreement with the principles of the party for whose candidate I intend to vote." This statement must appear separately from the statements required in paragraph (a). The felony penalty provided for in paragraph (a) does not apply to this paragraph.

(c) A judge may, before the applicant signs the roster or voter signature certificate, confirm the applicant's name, address, and date of birth.

(d) After the applicant signs the roster or voter signature certificate, the judge shall give the applicant a voter's receipt. The voter shall deliver the voter's receipt to the judge in charge of ballots as proof of the voter's right to vote, and thereupon the judge shall hand to the voter the ballot. The voters' receipts must be maintained during the time for notice of filing an election contest.

(e) Whenever a challenged status appears on the polling place roster, an election judge must ensure that the challenge is concealed or hidden from the view of any voter other than the voter whose status is challenged.

Sec. 52. Minnesota Statutes 2020, section 204C.15, subdivision 1, is amended to read:

Subdivision 1. **Physical assistance in marking ballots.** A voter who claims a need for assistance because of inability to read English or physical inability to mark a ballot may obtain the aid of two election judges who are members of different major political parties. The election judges shall mark the ballots as directed by the voter and in as secret a manner as circumstances permit. A voter in need of assistance may alternatively obtain the assistance of any individual the voter chooses. Only the following persons may not provide assistance to a voter: the voter's employer, an agent of the voter's employer, an officer or agent of the voter's union, or a candidate for election. The person who assists the voter shall, unaccompanied by an election judge, retire with that voter to a booth and mark the ballot as directed by the voter. ~~No person who assists another voter as provided in the preceding sentence shall mark the ballots of more than three voters at one election.~~ Before the ballots are deposited, the voter may show them privately to an election judge to ascertain that they are marked as the voter directed. An election judge or other individual assisting a voter shall not in any manner request, persuade, induce, or attempt to persuade or induce the voter to vote for any particular political party or candidate. The election judges or other individuals who assist the voter shall not reveal to anyone the name of any candidate for whom the voter has voted or anything that took place while assisting the voter.

Sec. 53. Minnesota Statutes 2020, section 204C.21, subdivision 1, is amended to read:

Subdivision 1. **Method.** The election judges shall take all the ballots of the same kind and count the votes cast for each office or question, beginning with the first office or question on the ballot. They shall make one pile of the ballots for each candidate who received votes for that office, or one pile for the "Yes" votes and one pile for the "No" votes on a question. They shall make a pile of totally defective ballots and a pile of totally blank ballots. They shall make a pile of ballots that are not totally defective but are defective with respect to the office or question being counted and a pile of ballots that are not totally blank but are blank with respect to the office or question being counted. After the separation into piles, the election judges shall examine each pile and remove and place in the proper pile any ballots that are found in the wrong pile. The election judges shall count the totally blank and totally defective ballots and set them aside until the counting is over for that ballot. In conducting the count of blank ballots, election judges may presume that the total count provided for prepackaged ballots is correct. The election judges may pile ballots crosswise in groups of 25 in the same pile to facilitate counting. When their counts agree, the election judges shall announce the number of ballots in each pile, and shall write the number in the proper place on the summary statements.

The election judges shall then return all the counted ballots, and all the partially defective or partially blank ballots, to the original pile to be separated and counted in the same manner for the next office or question.

Sec. 54. Minnesota Statutes 2020, section 204C.27, is amended to read:

204C.27 DELIVERY OF RETURNS TO COUNTY AUDITORS.

One or more of the election judges in each precinct shall deliver ~~two sets~~ one set of summary statements; all spoiled ballots; and the envelopes containing the ballots either directly to the municipal clerk for transmittal to the county auditor's office or directly to the county auditor's office as soon as possible after the vote counting is completed but no later than 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal and school district ballots, the envelopes containing municipal and school district ballots, and all other things furnished by the municipal or school district clerk, to the municipal or school district clerk's office within 24 hours after the end of the hours for voting. The municipal or school district clerk shall return all polling place rosters and completed voter registration cards to the county auditor within 48 hours after the end of the hours for voting.

Sec. 55. Minnesota Statutes 2020, section 204C.33, subdivision 3, is amended to read:

Subd. 3. **State canvass.** The State Canvassing Board shall meet at a public meeting space located in the Capitol complex area on the third Tuesday following the state general election to canvass the certified copies of the county canvassing board reports received from the county auditors and shall prepare a report that states:

- (1) the number of individuals voting in the state and in each county;
- (2) the number of votes received by each of the candidates, specifying the counties in which they were cast; and
- (3) the number of votes counted for and against each constitutional amendment, specifying the counties in which they were cast.

Upon completion of the canvass, the State Canvassing Board shall declare the candidates duly elected who received the highest number of votes for each federal and state office. All members of the State Canvassing Board shall sign the report and certify its correctness. The State Canvassing Board shall declare the result within three days after completing the canvass.

Sec. 56. Minnesota Statutes 2020, section 204C.35, is amended by adding a subdivision to read:

Subd. 2a. **Constitutional amendment recount.** In a state general election when the difference between the number of "yes" votes cast on ratification of a proposed constitutional amendment is within one-quarter percent of the number of all other ballots cast at the election, the canvassing board shall manually recount the votes on that question, including the number of "yes" or "no" votes on the question, and the number of ballots that did not cast a vote on the question. The results of the recount must be certified by the canvassing board as soon as possible.

Sec. 57. Minnesota Statutes 2020, section 204C.35, subdivision 3, is amended to read:

Subd. 3. **Scope of recount.** A recount conducted as provided in this section is limited in scope to the determination of the number of votes validly cast for the office or question to be recounted. Only the ballots cast in the election and the summary statements certified by the election judges may be considered in the recount process. Original ballots that have been duplicated under section 206.86, subdivision 5, are not within the scope of a recount and must not be examined except as provided by a court in an election contest under chapter 209.

Sec. 58. Minnesota Statutes 2020, section 204C.36, subdivision 1, is amended to read:

Subdivision 1. **Publicly funded recounts.** (a) Except as provided in paragraphs (b) and (c), a losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for the nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is less than one-quarter of one percent of the total votes counted for that office. In case of offices where two or more seats are being filled from among all the candidates for the office, the one-quarter of one percent difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(b) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for nomination or election to that office if the difference between the votes cast for that candidate and for a winning candidate for nomination or election is less than one-half of one percent, and the total number of votes cast for the nomination or election of all candidates is more than 400 but less than 50,000. In cases of offices where two or more seats are being filled from among all the candidates for the office, the one-half of one percent difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(c) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is ten votes or less, and the total number of votes cast for the nomination or election of all candidates is no more than 400. In cases of offices where two or more seats are being filled from among all the candidates for the office, the ten vote difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(d) Candidates for county offices shall file a written request for the recount with the county auditor. Candidates for municipal or school district offices shall file a written request with the municipal or school district clerk as appropriate. All requests under this paragraph shall be filed ~~by~~ between the close of the canvass of a primary or special primary and 5:00 p.m. on the fifth day after the canvass of a primary or special primary or ~~by~~ between the close of the canvass of a special or general election and 5:00 p.m. on the seventh day of the canvass of a special or general election for which a recount is sought.

(e) Upon receipt of a request made pursuant to this section, the county auditor shall recount the votes for a county office at the expense of the county, the governing body of the municipality shall recount the votes for a municipal office at the expense of the municipality, and the school board of the school district shall recount the votes for a school district office at the expense of the school district.

Sec. 59. Minnesota Statutes 2020, section 204D.08, subdivision 4, is amended to read:

Subd. 4. **State partisan primary ballot; party columns.** The state partisan primary ballot shall be headed by the words "State Partisan Primary Ballot." The ballot shall be printed on white paper. There must be at least three vertical columns on the ballot and each major political party shall have a separate column headed by the words "..... Party," giving the party name. Above the party names, the following statement shall be printed.

"Minnesota Election Law permits you to vote for the candidates of only one political party in a state partisan primary election."

If there are only two major political parties to be listed on the ballot, one party must occupy the left-hand column, the other party must occupy the right-hand column, and the center column must contain the following statement:

"Do not vote for candidates of more than one party."

The names of the candidates seeking the nomination of each major political party shall be listed in that party's column. If only one individual files an affidavit of candidacy seeking the nomination of a major political party for an office, the name of that individual shall be placed on the state partisan primary ballot at the appropriate location in that party's column.

In each column, the candidates for senator in Congress shall be listed first, candidates for representative in Congress second, candidates for state senator third, candidates for state representative fourth and then candidates for state office in the order specified by the secretary of state. Vacant offices being filled by special election must be listed with other offices of that type, but after any office of that type for which a candidate will be elected for a full term.

The party columns shall be substantially the same in width, type, and appearance. The columns shall be separated by a 12-point solid line.

Sec. 60. Minnesota Statutes 2020, section 204D.13, subdivision 1, is amended to read:

Subdivision 1. **Order of offices.** The candidates for partisan offices shall be placed on the state general election ballot in the following order: senator in Congress shall be first; representative in Congress, second; state senator, third; and state representative, fourth. The candidates for state offices shall follow in the order specified by the secretary of state. Candidates for governor and lieutenant governor shall appear so that a single vote may be cast for both offices. Vacant offices being filled by special election must be listed with other offices of that type, but after any office of that type for which a candidate will be elected for a full term.

Sec. 61. Minnesota Statutes 2020, section 204D.19, subdivision 2, is amended to read:

Subd. 2. **Special election when legislature will be in session.** Except for vacancies in the legislature which occur at any time between the last day of session in an odd-numbered year and the ~~40th~~ 54th day prior to the opening day of session in the succeeding even-numbered year, when a vacancy occurs and the legislature will be in session so that the individual elected as provided by this section could take office and exercise the duties of the office immediately upon election, the governor shall issue within five days after the vacancy occurs a writ calling for a special election. The special election shall be held as soon as possible, consistent with the notice requirements of section 204D.22, subdivision 3, but in no event more than ~~35~~ 49 days after the issuance of the writ. ~~A special election must not be held during the four days before or the four days after a holiday as defined in section 645.44, subdivision 5.~~

Sec. 62. Minnesota Statutes 2020, section 204D.195, is amended to read:

204D.195 DATE OF SPECIAL ELECTION; CERTAIN TIMES PROHIBITED.

Notwithstanding any other provision of law, a special primary and special general election may not be held:

(1) for a period beginning the day following the date of the state primary election and ending the day prior to the date of the state general election; or

(2) on a holiday, or during the four days before or after a holiday, as defined in section 645.44, subdivision 5.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to special elections occurring on or after that date.

Sec. 63. Minnesota Statutes 2020, section 204D.22, subdivision 3, is amended to read:

Subd. 3. **Notice of special election.** The county auditor of a county in which a special election is to be held shall direct the clerk of each municipality in which the election is to be held to post a notice of the special primary and special election at least ~~seven~~ 14 days before the special primary and at least ~~14~~ 21 days before the special election in the manner provided in sections 204B.33 and 204B.34. If the special primary is to be held ~~14~~ 21 days before the special election, a single notice of both elections may be posted seven days before the primary.

When the special primary or special election is to be held on the same day as any other election, notice of the special primary or special election may be included in the notice of the other election, if practicable.

Sec. 64. Minnesota Statutes 2020, section 204D.23, subdivision 2, is amended to read:

Subd. 2. **Time of filing.** Except as provided in subdivision 3, the affidavits and petitions shall be filed no later than ~~14~~ 21 days before the special primary.

Sec. 65. Minnesota Statutes 2020, section 204D.27, subdivision 5, is amended to read:

Subd. 5. **Canvass; special primary; state canvassing board; contest.** Not later than four days after the returns of the county canvassing boards are certified to the secretary of state, the State Canvassing Board shall complete its canvass of the special primary. The secretary of state shall then promptly certify to the county auditors the names of the nominated individuals, prepare notices of nomination, and notify each nominee of the nomination. In case of a contest of a special primary for state senator or state representative, the notice of contest must be filed within two days, excluding Sundays and legal holidays, after the canvass is completed, and the contest shall otherwise proceed in the manner provided by law for contesting elections.

Sec. 66. Minnesota Statutes 2020, section 204D.28, subdivision 9, is amended to read:

Subd. 9. **Filing by candidates.** The time for filing of affidavits and nominating petitions for candidates to fill a vacancy at a special election shall open 12 weeks before the special primary or on the day the secretary of state issues notice of the special election, whichever occurs later. Filings shall close ten weeks before the special primary. A candidate filing for the office of United States senator to fill a vacancy at a special election when both offices of United States senator are required to be placed on the same ballot must specify on the affidavit of candidacy the expiration date of the term of the office that the candidate is seeking.

Sec. 67. Minnesota Statutes 2020, section 204D.28, subdivision 10, is amended to read:

Subd. 10. **United States senator; candidates; designation of term.** When the names of candidates for both offices of United States senator are required to be placed on the same ballot, the expiration date of the term of each office shall be printed on the ballot in the office heading opposite the name of each candidate for nomination or election to that office.

Sec. 68. Minnesota Statutes 2020, section 205.13, subdivision 5, is amended to read:

Subd. 5. **Nominating petition; cities of the first class.** A nominating petition filed on behalf of a candidate for municipal office in a city of the first class shall be signed by eligible voters who ~~reside~~ maintain residence in the election district from which the candidate is to be elected. The number of signers shall be at least 500, or two percent of the total number of individuals who voted in the municipality, ward, or other election district at the last preceding municipal general election, whichever is greater.

Sec. 69. Minnesota Statutes 2020, section 205A.10, subdivision 5, is amended to read:

Subd. 5. **School district canvassing board.** For the purpose of a recount of a special election conducted under section 126C.17, subdivision 9, or 475.59, the school district canvassing board shall consist of one member of the school board other than the clerk, selected by the board, the clerk of the school board, the county auditor of the county in which the greatest number of school district residents ~~reside~~ maintain residence, the court administrator of the district court of the judicial district in which the greatest number of school district residents ~~reside~~ maintain residence, and the mayor or chair of the town board of the school district's most populous municipality. Any member of the canvassing board may appoint a designee to appear at the meeting of the board, except that no designee may be a candidate for public office. If one of the individuals fails to appear at the meeting of the canvassing board, the county auditor shall appoint an eligible voter of the school district, who must not be a member of the school board, to fill the vacancy. Not more than two school board members shall serve on the canvassing board at one time. Four members constitute a quorum.

The school board shall serve as the school district canvassing board for the election of school board members.

Sec. 70. Minnesota Statutes 2020, section 205A.12, subdivision 5, is amended to read:

Subd. 5. **Board elections.** If the proposal for the establishment of election districts is approved by the voters, the board shall specify the election districts from which vacancies shall be filled as they occur until such time as each board member represents an election district. A candidate for school board in a subsequent election must file an affidavit of candidacy to be elected as a school board member for the election district in which the candidate ~~resides~~ maintains residence. If there are as many election districts as there are members of the board, one and only one member of the board shall be elected from each election district. In school districts where one or more board members are elected by election districts, candidates must indicate on the affidavit of candidacy the number of the district from which they seek election or, if appropriate, that they seek election from one of the offices elected at large. If the election districts have two or three members each, the terms of the members must be staggered. Each board member must be a resident of the election district for which elected but the creation of an election district or a change in election district boundaries shall not disqualify a board member from serving for the remainder of a term.

Sec. 71. Minnesota Statutes 2020, section 206.805, subdivision 1, is amended to read:

Subdivision 1. **Contracts required.** (a) The secretary of state, with the assistance of the commissioner of administration, must establish one or more state voting systems contracts. The contracts should, if practical, include provisions for maintenance of the equipment purchased. The voting systems contracts must address precinct-based optical scan voting equipment, assistive voting technology, automatic tabulating equipment, and electronic roster

equipment. The contracts must give the state a perpetual license to use and modify the software. The contracts must include provisions to escrow the software source code, ~~as provided in subdivision 2.~~ Bids for voting systems and related election services must be solicited from each vendor selling or leasing voting systems that have been certified for use by the secretary of state. Bids for electronic roster equipment, software, and related services must be solicited from each vendor selling or leasing electronic roster equipment that meets the requirements of section 201.225, subdivision 2. The contracts must be renewed from time to time.

(b) Counties and municipalities may purchase or lease voting systems and obtain related election services from the state contracts. All counties and municipalities are members of the cooperative purchasing venture of the Department of Administration for the purpose of this section. For the purpose of township elections, counties must aggregate orders under contracts negotiated under this section for products and services and may apportion the costs of those products and services proportionally among the townships receiving the products and services. The county is not liable for the timely or accurate delivery of those products or services.

Sec. 72. Minnesota Statutes 2020, section 206.89, subdivision 4, is amended to read:

Subd. 4. **Standard of acceptable performance by voting system.** A comparison of the results compiled by the voting system with the postelection review described in this section must show that the results of the electronic voting system differed by no more than ~~one-half one-quarter~~ of one percent from the manual count of the offices reviewed. Valid votes that have been marked by the voter outside the vote targets or using a manual marking device that cannot be read by the voting system must not be included in making the determination whether the voting system has met the standard of acceptable performance for any precinct.

Sec. 73. Minnesota Statutes 2020, section 206.89, subdivision 5, is amended to read:

Subd. 5. **Additional review.** (a) If the postelection review in one of the reviewed precincts reveals a difference greater than ~~one-half one-quarter~~ of one percent, or greater than two votes in a precinct where ~~400~~ 800 or fewer voters cast ballots, the postelection review official must, within two days, conduct an additional review of the races indicated in subdivision 3 in at least three precincts in the same jurisdiction where the discrepancy was discovered. If all precincts in that jurisdiction have been reviewed, the county auditor must immediately publicly select by lot at least three additional precincts for review. The postelection review official must complete the additional review within two days after the precincts are selected and report the results immediately to the county auditor. If the second review in any of the reviewed precincts also indicates a difference in the vote totals compiled by the voting system that is greater than ~~one-half one-quarter~~ of one percent from the result indicated by the postelection review, or greater than two votes in a precinct where ~~400~~ 800 or fewer voters cast ballots, the county auditor must conduct a review of the ballots from all the remaining precincts in the county for the races indicated in subdivision 3. This review must be completed and the results must be reported to the secretary of state within one week after the second review was completed.

(b) If the results from the countywide reviews from one or more counties comprising in the aggregate more than ten percent of the total number of persons voting in the election clearly indicate that an error in vote counting has occurred, the secretary of state must notify the postelection review official of each county in the district that they must conduct manual recounts of all the ballots in the district for the affected office using the procedure outlined in section 204C.35. The recount must be completed and the results reported to the appropriate canvassing board within two weeks after the postelection review official received notice from the secretary of state.

Sec. 74. Minnesota Statutes 2020, section 206.90, subdivision 6, is amended to read:

Subd. 6. **Ballots.** In precincts using optical scan voting systems, a single ballot card on which all ballot information is included must be printed in black ink on white colored material except that marks not to be read by the automatic tabulating equipment may be printed in another color ink. In state elections, a single ballot title must

be used, as provided in sections 204D.08, subdivision 6, and 204D.11, subdivision 1. ~~In odd-numbered years~~ When both municipal and school district offices or questions appear on the ballot, the single ballot title "City (or Town) and School District Ballot" must be used.

On the front of the ballot must be printed the words "Official Ballot" and the date of the election and lines for the initials of at least two election judges.

When optical scan ballots are used, the offices to be elected must appear in the following order: federal offices; state legislative offices; constitutional offices; proposed constitutional amendments; county offices and questions; municipal offices and questions; school district offices and questions; special district offices and questions; and judicial offices.

On optical scan ballots, the names of candidates and the words "yes" and "no" for ballot questions must be printed as close to their corresponding vote targets as possible.

The line on an optical scan ballot for write-in votes must contain the words "write-in, if any."

If a primary ballot contains both a partisan ballot and a nonpartisan ballot, the instructions to voters must include a statement that reads substantially as follows: "This ballot card contains a partisan ballot and a nonpartisan ballot. On the partisan ballot you are permitted to vote for candidates of one political party only." If a primary ballot contains political party columns on both sides of the ballot, the instructions to voters must include a statement that reads substantially as follows: "Additional political parties are printed on the other side of this ballot. Vote for one political party only." At the bottom of each political party column on the primary ballot, the ballot must contain a statement that reads substantially as follows: "Continue voting on the nonpartisan ballot." The instructions in section 204D.08, subdivision 4, do not apply to optical scan partisan primary ballots. Electronic ballot displays and audio ballot readers must follow the order of offices and questions on the optical scan or paper ballot used in the same precinct, or the sample ballot posted for that precinct.

Sec. 75. **[206.97] ELECTION SECURITY AND ADMINISTRATION GRANTS.**

Subdivision 1. **Grants authorized.** The secretary of state may disburse funds governed by section 5.30 as grants for federal purposes to political subdivisions as authorized by this section. In evaluating an application for a grant, the secretary of state shall consider only the information set forth in the application and is not subject to chapter 14.

Subd. 2. **Use of grants.** A grant awarded under this section may be used for federal purposes but restricted to the following:

- (1) updated hardware or software used for administering elections;
- (2) additional physical security for election equipment storage;
- (3) increased polling place accessibility; or
- (4) cybersecurity or physical security training for election officials or election judges.

Subd. 3. **Application.** The secretary of state may award a grant to a political subdivision after receiving an application from the political subdivision. The application must identify:

- (1) the date the application is submitted;
- (2) the name of the political subdivision;

(3) the name and title of the individual who prepared the application;

(4) the total number of registered voters as of the date of the application in each precinct in the political subdivision;

(5) the total amount of the grant requested;

(6) the hardware, software, security improvements, accessibility improvements, or training to be acquired or conducted with the grant money;

(7) the proposed schedule for purchasing and implementing the proposed items and what precincts will be impacted by their implementation;

(8) whether the political subdivision has previously applied for a grant under this subdivision and the disposition of that application;

(9) a certified statement by the political subdivision that the grant will be used only for purposes authorized under subdivision 2; and

(10) any other information required by the secretary of state.

Subd. 4. **Legislative report.** No later than January 15, 2022, and annually thereafter in any year during which grants are disbursed, the secretary of state must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over elections policy on the grant awards. The report must detail each grant awarded, including the jurisdiction, the amount of the grant, and how the grant was used.

Sec. 76. Minnesota Statutes 2020, section 207A.12, is amended to read:

207A.12 CONDUCTING PRESIDENTIAL NOMINATION PRIMARY.

(a) Except as otherwise provided by law, the presidential nomination primary must be conducted, and the results canvassed and returned, in the manner provided by law for the state primary.

(b) An individual seeking to vote at the presidential nomination primary must be registered to vote pursuant to section 201.054, subdivision 1. The voter must request the ballot of the party for whose candidate the individual wishes to vote. Notwithstanding section 204C.18, subdivision 1, the election judge must record in the polling place roster the name of the political party whose ballot the voter requested. When posting voter history pursuant to section 201.171, the county auditor must include the name of the political party whose ballot the voter requested. The political party ballot selected by a voter is private data on individuals as defined under section 13.02, subdivision 12, except as provided in section 201.091, subdivision 4a. A voter eligible to cast a ballot as provided in section 5B.06 must be permitted to cast a ballot at the presidential nomination primary consistent with the requirements of that section.

(c) Immediately after the state canvassing board declares the results of the presidential nomination primary, the secretary of state must notify the chair of each party of the results.

(d) The results of the presidential nomination primary must bind the election of delegates in each party.

Sec. 77. Minnesota Statutes 2020, section 207A.13, is amended to read:

207A.13 FORM OF BALLOTS; CANDIDATES ON BALLOT.

Subdivision 1. **Form.** (a) Except as provided by law, presidential nomination primary ballots shall be printed in the same manner as state primary ballots as far as practicable. A sufficient number of each ballot shall be printed for each precinct and ward in the state.

(b) There must be separate ballots for the names of the candidates of each participating political party. Each ballot must be headed by the words "Presidential Nomination Primary Ballot." The heading must also indicate the party that appears on the ballot.

(c) If requested by a party chair, the ballot for that participating party must contain a place for a voter to indicate a preference for having delegates to the party's national convention remain uncommitted. If requested by a party chair, the ballot for that participating party must contain a blank line printed below the other choices on the ballot so that a voter may write in the name of a person who is not listed on the ballot. A request under this paragraph must be submitted to the secretary of state no later than 63 days before the presidential nomination primary.

Subd. 2. **Candidates on the ballot.** (a) Each party participating in the presidential nomination primary must determine which candidates are to be placed on the presidential nomination primary ballot for that party. The chair of each participating party must submit to the secretary of state the names of the candidates to appear on the ballot for that party no later than 63 days before the presidential nomination primary. Once submitted, changes must not be made to the candidates that will appear on the ballot.

(b) No later than the ~~seventh~~ 14th day before the presidential nomination primary, the chair of each participating party must submit to the secretary of state the names of write-in candidates, if any, to be counted for that party.

Sec. 78. Minnesota Statutes 2020, section 207A.14, subdivision 3, is amended to read:

Subd. 3. **Notice of primary to public.** At least 15 days before the date of the presidential nomination primary, each municipal clerk shall post a public notice stating the date of the presidential nomination primary, the location of each polling place in the municipality, the hours during which the polling places in the municipality will be open, and information about the requirements of section 207A.12, paragraph (b), ~~including a notice that the voter's choice of a political party's ballot will be recorded and is public information.~~ The county auditor shall post a similar notice in the auditor's office with information for any polling places in unorganized territory in the county. The governing body of a municipality or county may publish the notice in addition to posting it. Failure to give notice does not invalidate the election.

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

Sec. 79. Minnesota Statutes 2020, section 209.021, subdivision 2, is amended to read:

Subd. 2. **Notice filed with court.** If the contest relates to a nomination or election for statewide office, the contestant shall file the notice of contest with the court administrator of District Court in Ramsey County. For contests relating to any other office, the contestant shall file the notice of contest with the court administrator of district court in the county where the contestee ~~resides~~ maintains residence.

If the contest relates to a constitutional amendment, the contestant shall file the notice of contest with the court administrator of District Court in Ramsey County. If the contest relates to any other question, the contestant shall file the notice of contest with the court administrator of district court for the county or any one of the counties where the question appeared on the ballot.

Sec. 80. **[211B.075] VOTER INTIMIDATION, INTERFERENCE, AND DECEPTIVE PRACTICES PROHIBITED; CIVIL ENFORCEMENT.**

Subdivision 1. **Intimidation.** (a) A person, whether acting under color of law or otherwise, may not directly or indirectly use or threaten force, coercion, violence, restraint, damage, harm, or loss, including loss of employment or economic reprisal against:

(1) an individual with respect to registering or abstaining from registering to vote, voting or abstaining from voting, or voting for or against a candidate or ballot question;

(2) an elections official with respect to the performance of duties related to election administration; or

(3) any person with respect to that person's efforts to encourage another to cast a ballot or assist another in registering to vote, traveling to a polling place, casting a ballot, or participating in any other aspect of the election process.

(b) In an action brought to prevent and restrain violations of this section or to require the payment of civil penalties, the moving party may show that the action or attempted action would cause a reasonable person to feel intimidated. The moving party does not need to show that the actor intended to cause the victim to feel intimidated.

Subd. 2. **Deceptive practices.** (a) No person, whether acting under color of law or otherwise, shall within 60 days of an election cause, by any means, information to be transmitted that the person:

(1) intends to impede or prevent another person from exercising the right to vote; and

(2) knows to be materially false.

(b) The prohibition in this subdivision includes but is not limited to information regarding the time, place, or manner of holding an election; the qualifications for or restrictions on voter eligibility at an election; and threats to physical safety associated with casting a ballot.

Subd. 3. **Interference with registration or voting.** No person, whether acting under color of law or otherwise, shall intentionally hinder, interfere with, or prevent another person from voting, registering to vote, or aiding another person in casting a ballot or registering to vote.

Subd. 4. **Vicarious liability; conspiracy.** A person, whether acting under color of law or otherwise, may be held vicariously liable for any damages resulting from the violation of this section and may be identified in an order restraining violations of this section if that person:

(1) intentionally aids, advises, hires, counsels, abets, incites, compels, or coerces a person to violate any provision of this section or attempts to aid, advise, hire, counsel, abet, incite, compel, or coerce a person to violate any provision of this section; or

(2) conspires, combines, agrees, or arranges with another to either commit a violation of this section or aid, advise, hire, counsel, abet, incite, compel, or coerce a third person to violate any provision of this section.

Subd. 5. **Enforcement.** (a) The attorney general or any injured person may enforce this section consistent with the authority provided in section 8.31. An action filed by an injured person under section 8.31, subdivision 3a, is in the public interest.

(b) Remedies allowable under this section are cumulative and do not restrict any other right or remedy otherwise available to an injured person. An action for a penalty or remedy under this section must be brought within two years of the date the violation is alleged to have occurred. The complaint process provided in sections 211B.31 to 211B.36 does not apply to violations of this section.

Sec. 81. **[211B.076] VOTER INTIMIDATION, INTERFERENCE, AND DECEPTIVE PRACTICES PROHIBITED; CRIMINAL PENALTIES.**

Subdivision 1. **Intimidation.** A person is guilty of a crime if the person, whether acting under color of law or otherwise, directly or indirectly uses or threatens force, coercion, violence, restraint, damage, harm, or loss, including loss of employment or economic reprisal against another with the intent to:

(1) compel an individual to register or abstain from registering to vote, vote or abstain from voting, or vote for or against a candidate or ballot question;

(2) influence an elections official in the performance of duties related to election administration; or

(3) interfere with any person's efforts to encourage another to cast a ballot or assist another person in registering to vote, traveling to a polling place, casting a ballot, or participating in any other aspect of the election process.

Subd. 2. **Deceptive practices.** (a) A person is guilty of a crime if the person, whether acting under color of law or otherwise, within 60 days of an election causes, by any means, information to be transmitted that the person:

(1) intends to impede or prevent another person from exercising the right to vote; and

(2) knows to be materially false.

(b) The prohibition in this subdivision includes but is not limited to information regarding the time, place, or manner of holding an election; the qualifications for or restrictions on voter eligibility at an election; and threats to physical safety associated with casting a ballot.

Subd. 3. **Interference with registration or voting.** A person is guilty of a crime if the person, whether acting under color of law or otherwise, intentionally hinders, interferes with, or prevents another person from voting, registering to vote, or aiding another person in casting a ballot or registering to vote.

Subd. 4. **Enforcement.** The complaint process provided in sections 211B.31 to 211B.36 does not apply to violations of this section.

Subd. 5. **Penalty.** A person who violates this section is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2021, and applies to crimes committed on or after that date.

Sec. 82. Minnesota Statutes 2020, section 211B.11, subdivision 1, is amended to read:

Subdivision 1. Soliciting near polling places. A person may not display campaign material, post signs, ask, solicit, or in any manner try to induce or persuade a voter within a polling place or within 100 feet of the building in which a polling place is situated, or anywhere on the public property on which a polling place is situated, on primary or election day to vote for or refrain from voting for a candidate or ballot question. A person may not provide political badges, political buttons, or other political insignia to be worn at or about the polling place on the day of a primary or election. A political badge, political button, or other political insignia may not be worn at or about the polling place on primary or election day. This section applies only during voting hours and to areas established by the county auditor or municipal clerk for absentee voting as provided in chapter 203B.

Nothing in this subdivision prohibits the distribution of "I VOTED" stickers as provided in section 204B.49.

Sec. 83. Minnesota Statutes 2020, section 211B.32, subdivision 1, is amended to read:

Subdivision 1. **Administrative remedy; exhaustion.** (a) Except as provided in ~~paragraph~~ paragraphs (b) and (c), a complaint alleging a violation of chapter 211A or 211B must be filed with the office. The complaint must be finally disposed of by the office before the alleged violation may be prosecuted by a county attorney.

(b) Complaints arising under those sections and related to those individuals and associations specified in section 10A.022, subdivision 3, must be filed with the Campaign Finance and Public Disclosure Board.

(c) Violations of sections 211B.075 and 211B.076 may be enforced as provided in those sections.

Sec. 84. **[243.205] NOTICE OF RESTORATION OF RIGHT TO VOTE.**

Subdivision 1. **Correctional facilities; designation of official.** The chief executive officer of each state and local correctional facility shall designate an official within the facility to provide the notice and application required under this section to a person to whom the civil right to vote is restored by reason of the person's release from actual incarceration. The official shall maintain an adequate supply of voter registration applications and informational materials for this purpose.

Subd. 2. **Notice requirement.** A notice of restoration of the civil right to vote and a voter registration application must be provided as follows:

(1) the chief executive officer of each state and local correctional facility shall provide the notice and application to a person being released from the facility following incarceration for a felony-level offense; and

(2) a probation officer or supervised release agent shall provide the notice and application to all individuals under correctional supervision for a felony-level offense.

Subd. 3. **Form of notice.** The notice required by subdivision 2 must appear substantially as follows:

"NOTICE OF RESTORATION OF YOUR RIGHT TO VOTE.

Your receipt of this notice today means that your right to vote in Minnesota has been restored. Before you can vote on election day, you still need to register to vote. To register, you may complete a voter registration application and return it to the Office of the Minnesota Secretary of State. You may also register to vote in your polling place on election day. You will not be permitted to cast a ballot until you register to vote. The first time you appear at your polling place to cast a ballot, you may be required to provide proof of your current residence."

Subd. 4. **Failure to provide notice.** A failure to provide proper notice as required by this section does not prevent the restoration of the person's civil right to vote.

Sec. 85. Minnesota Statutes 2020, section 367.03, subdivision 6, is amended to read:

Subd. 6. **Vacancies.** (a) When a vacancy occurs in a town office, the town board shall fill the vacancy by appointment. Except as provided in paragraph (b), the person appointed shall hold office until the next annual town election, when a successor shall be elected for the unexpired term.

(b) When a vacancy occurs in a town office:

(1) with more than one year remaining in the term; and

(2) on or after the 14th day before the first day to file an affidavit of candidacy for the town election;

the vacancy must be filled by appointment. The person appointed serves until the next annual town election following the election for which affidavits of candidacy are to be filed, when a successor shall be elected for the unexpired term.

(c) A vacancy in the office of supervisor must be filled by an appointment committee comprised of the remaining supervisors and the town clerk.

(d) Any person appointed to fill the vacancy in the office of supervisor must, upon assuming the office, be an eligible voter, be 21 years of age, and have ~~resided~~ maintained residence in the town for at least 30 days.

(e) When, because of a vacancy, more than one supervisor is to be chosen at the same election, candidates for the offices of supervisor shall file for one of the specific terms being filled.

(f) When, for any reason, the town board or the appointment committee fails to fill a vacancy in the position of an elected town officer by appointment, a special election may be called. To call a special election, the supervisors and town clerk, or any two of them together with at least 12 other town freeholders, must file a statement in the town clerk's office. The statement must tell why the election is called and that the interests of the town require the election. When the town board or the appointment committee fails to fill a vacancy by appointment, a special town election may also be called on petition of 20 percent of the electors of the town. The percentage is of the number of voters at the last general election. A special town election must be conducted in the manner required for the annual town election.

(g) Law enforcement vacancies must be filled by appointment by the town board.

Sec. 86. Minnesota Statutes 2020, section 367.25, subdivision 1, is amended to read:

Subdivision 1. **Requirement, fee.** Every person elected at a March election, elected at a special election, or appointed to a town office, within ten days after receiving a certificate or notice of election or appointment, shall take and subscribe the oath required by law. Persons elected at a November election shall take their oath before assuming office. If taken before the town clerk, the oath shall be administered and certified without fee.

Sec. 87. Minnesota Statutes 2020, section 412.02, subdivision 2a, is amended to read:

Subd. 2a. **Vacancy.** Except as otherwise provided in subdivision 2b, a vacancy in an office shall be filled by council appointment until an election is held as provided in this subdivision. In case of a tie vote in the council, the mayor shall make the appointment. If the vacancy occurs before the first day to file affidavits of candidacy for the next regular city election and more than two years remain in the unexpired term, a special election shall be held at or before the next regular city election and the appointed person shall serve until the qualification of a successor elected at a special election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the regular city election or when less than two years remain in the unexpired term, there need not be a special election to fill the vacancy and the appointed person shall serve until the qualification of a successor. The council must specify by ordinance under what circumstances it will hold a special election to fill a vacancy other than a special election held at the same time as the regular city election.

All of the provisions of the Minnesota Election Law are applicable to special elections as far as practicable.

Sec. 88. Minnesota Statutes 2020, section 447.32, subdivision 4, is amended to read:

Subd. 4. **Candidates; ballots; certifying election.** A person who wants to be a candidate for the hospital board shall file an affidavit of candidacy for the election either as member at large or as a member representing the city or town where the candidate ~~resides~~ maintains residence. The affidavit of candidacy must be filed with the city or town clerk not more than 98 days nor less than 84 days before the first Tuesday after the first Monday in November of the year in which the general election is held. The city or town clerk must forward the affidavits of candidacy to the clerk of the hospital district or, for the first election, the clerk of the most populous city or town immediately after the last day of the filing period. A candidate may withdraw from the election by filing an affidavit of withdrawal with the clerk of the district no later than 5:00 p.m. two days after the last day to file affidavits of candidacy.

Voting must be by secret ballot. The clerk shall prepare, at the expense of the district, necessary ballots for the election of officers. Ballots must be prepared as provided in the rules of the secretary of state. The ballots must be marked and initialed by at least two judges as official ballots and used exclusively at the election. Any proposition to be voted on may be printed on the ballot provided for the election of officers. The hospital board may also authorize the use of voting systems subject to chapter 206. Enough election judges may be appointed to receive the votes at each polling place. The election judges shall act as clerks of election, count the ballots cast, and submit them to the board for canvass.

After canvassing the election, the board shall issue a certificate of election to the candidate who received the largest number of votes cast for each office. The clerk shall deliver the certificate to the person entitled to it in person or by certified mail. Each person certified shall file an acceptance and oath of office in writing with the clerk within 30 days after the date of delivery or mailing of the certificate. The board may fill any office as provided in subdivision 1 if the person elected fails to qualify within 30 days, but qualification is effective if made before the board acts to fill the vacancy.

Sec. 89. Minnesota Statutes 2020, section 609.165, subdivision 1, is amended to read:

Subdivision 1. **Restoration.** When a person has been deprived of civil rights by reason of conviction of a crime and is thereafter discharged, such discharge shall restore the person to all civil rights and to full citizenship, ~~with full right to vote and hold office~~, the same as if such conviction had not taken place, and the order of discharge shall so provide.

Sec. 90. Laws 2019, First Special Session chapter 10, article 1, section 40, is amended to read:

Sec. 40. **HELP AMERICA VOTE ACT TRANSFERS AND APPROPRIATIONS; SECRETARY OF STATE.**

(a) \$6,595,610 is appropriated in fiscal year 2019 from the HAVA account established in Minnesota Statutes, section 5.30, to the secretary of state for the purposes of improving the administration and security of elections as authorized by federal law. Use of the appropriation is limited to the following activities:

- (1) modernizing, securing, and updating the statewide voter registration system and for cybersecurity upgrades as authorized by federal law;
- (2) improving accessibility;
- (3) preparing training materials and training local election officials; and
- (4) implementing security improvements for election systems.

(b) Any amount earned in interest on the amount appropriated under paragraph (a) is appropriated from the HAVA account to the secretary of state for purposes of improving the administration and security of elections as authorized by federal law.

(c) The appropriations under paragraphs (a) and (b) are onetime and available until ~~March 23, 2023~~ expended.

(d) \$167,000 expended by the secretary of state in fiscal years 2018 and 2019 for increasing secure access to the statewide voter registration system is deemed:

(1) to be money used for carrying out the purposes authorized under the Omnibus Appropriations Act of 2018, Public Law 115-1410, and the Help America Vote Act of 2002, Public Law 107-252, section 101; and

(2) to be credited toward any match required by those laws.

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

Sec. 91. Laws 2020, chapter 77, section 3, subdivision 6, is amended to read:

Subd. 6. **Availability of appropriations.** The appropriations provided in this section are onetime and available until ~~December 21, 2024~~ expended.

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

Sec. 92. **ELECTION DAY REGISTRATION; USE OF MEDICAL BILL TO PROVE RESIDENCE.**

The secretary of state must amend Minnesota Rules, section 8200.5100, subpart 2, to allow an eligible voter to prove residence in a precinct on election day by presenting a medical bill. The amendment to the rule must be effective no later than August 1, 2021. The secretary of state may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

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

ARTICLE 4 CAMPAIGN FINANCE

Section 1. Minnesota Statutes 2020, section 10A.01, subdivision 4, is amended to read:

Subd. 4. **Approved expenditure.** "Approved expenditure" means an expenditure made on behalf of a candidate or a local candidate by an entity other than the candidate's principal campaign committee ~~of the candidate or the local candidate~~, if the expenditure is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of the candidate or local candidate, the candidate's principal campaign committee, or the candidate's or local candidate's agent. An approved expenditure is a contribution to that candidate or local candidate.

Sec. 2. Minnesota Statutes 2020, section 10A.01, subdivision 7, is amended to read:

Subd. 7. **Ballot question.** "Ballot question" means a question or proposition that is placed on the ballot and that may be voted on by:

(1) all voters of the state;

(2) all voters of Hennepin County;

(3) all voters of any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(4) all voters of Special School District No. 1.

"Promoting or defeating a ballot question" includes activities, other than lobbying activities, related to qualifying the question for placement on the ballot.

Sec. 3. Minnesota Statutes 2020, section 10A.01, subdivision 9, is amended to read:

Subd. 9. **Campaign expenditure.** "Campaign expenditure" or "expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination or election of a candidate or a local candidate or for the purpose of promoting or defeating a ballot question.

An expenditure is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

An expenditure made for the purpose of defeating a candidate or a local candidate is considered made for the purpose of influencing the nomination or election of that candidate or local candidate or any opponent of that candidate or local candidate.

Except as provided in clause (1), "expenditure" includes the dollar value of a donation in kind.

"Expenditure" does not include:

(1) noncampaign disbursements as defined in subdivision 26;

(2) services provided without compensation by an individual volunteering personal time on behalf of a candidate or a local candidate, ballot question, political committee, political fund, principal campaign committee, or party unit;

(3) the publishing or broadcasting of news items or editorial comments by the news media; or

(4) an individual's unreimbursed personal use of an automobile owned by the individual and used by the individual while volunteering personal time.

Sec. 4. Minnesota Statutes 2020, section 10A.01, is amended by adding a subdivision to read:

Subd. 10d. **Local candidate.** "Local candidate" means an individual who seeks nomination or election to:

(1) any county office in Hennepin County;

(2) any city office in any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(3) the school board in Special School District No. 1.

Sec. 5. Minnesota Statutes 2020, section 10A.01, subdivision 11, is amended to read:

Subd. 11. **Contribution.** (a) "Contribution" means money, a negotiable instrument, or a donation in kind that is given to a political committee, political fund, principal campaign committee, local candidate, or party unit. An allocation by an association of general treasury money to be used for activities that must be or are reported through the association's political fund is considered to be a contribution for the purposes of disclosure required by this chapter.

(b) "Contribution" includes a loan or advance of credit to a political committee, political fund, principal campaign committee, local candidate, or party unit, if the loan or advance of credit is: (1) forgiven; or (2) repaid by an individual or an association other than the political committee, political fund, principal campaign committee, local candidate, or party unit to which the loan or advance of credit was made. If an advance of credit or a loan is forgiven or repaid as provided in this paragraph, it is a contribution in the year in which the loan or advance of credit was made.

(c) "Contribution" does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, local candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; the publishing or broadcasting of news items or editorial comments by the news media; or an individual's unreimbursed personal use of an automobile owned by the individual while volunteering personal time.

Sec. 6. Minnesota Statutes 2020, section 10A.01, subdivision 16a, is amended to read:

Subd. 16a. **Expressly advocating.** "Expressly advocating" means:

(1) that a communication clearly identifies a candidate or a local candidate and uses words or phrases of express advocacy; or

(2) that a communication when taken as a whole and with limited reference to external events, such as the proximity to the election, is susceptible of no reasonable interpretation other than as an appeal advocating the election or defeat of one or more clearly identified candidates.

Sec. 7. Minnesota Statutes 2020, section 10A.01, subdivision 17c, is amended to read:

Subd. 17c. **General treasury money.** "General treasury money" means money that an association other than a principal campaign committee, party unit, or political committee accumulates through membership dues and fees, donations to the association for its general purposes, and income from the operation of a business. General treasury money does not include money collected to influence the nomination or election of candidates or local candidates or to promote or defeat a ballot question.

Sec. 8. Minnesota Statutes 2020, section 10A.01, subdivision 18, is amended to read:

Subd. 18. **Independent expenditure.** "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate or local candidate, if the expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent or any local candidate or local candidate's agent. An independent expenditure is not a contribution to that candidate or local candidate. An independent expenditure does not include the act of announcing a formal public endorsement of a candidate or local candidate for public office, unless the act is simultaneously accompanied by an expenditure that would otherwise qualify as an independent expenditure under this subdivision.

Sec. 9. Minnesota Statutes 2020, section 10A.01, subdivision 20, is amended to read:

Subd. 20. **Loan.** "Loan" means an advance of money or anything of value made to a political committee, political fund, principal campaign committee, local candidate, or party unit.

Sec. 10. Minnesota Statutes 2020, section 10A.01, subdivision 26, is amended to read:

Subd. 26. **Noncampaign disbursement.** (a) "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, or a donation in kind received, by a principal campaign committee for any of the following purposes:

- (1) payment for accounting and legal services;
- (2) return of a contribution to the source;
- (3) repayment of a loan made to the principal campaign committee by that committee;
- (4) return of a public subsidy;
- (5) payment for food, beverages, and necessary utensils and supplies, entertainment, and facility rental for a fund-raising event;
- (6) services for a constituent by a member of the legislature or a constitutional officer in the executive branch as provided in section 10A.173, subdivision 1;
- (7) payment for food and beverages consumed by a candidate or volunteers while they are engaged in campaign activities;
- (8) payment for food or a beverage consumed while attending a reception or meeting directly related to legislative duties;
- (9) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;
- (10) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;
- (11) costs of child care for the candidate's children when campaigning;
- (12) fees paid to attend a campaign school;
- (13) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;
- (14) interest on loans paid by a principal campaign committee on outstanding loans;
- (15) filing fees;
- (16) post-general election holiday or seasonal cards, thank-you notes, or advertisements in the news media mailed or published prior to the end of the election cycle;

(17) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;

(18) contributions to a party unit;

(19) payments for funeral gifts or memorials;

(20) the cost of a magnet less than six inches in diameter containing legislator contact information and distributed to constituents;

(21) costs associated with a candidate attending a political party state or national convention in this state;

(22) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question;

(23) costs paid to a third party for processing contributions made by a credit card, debit card, or electronic check;

(24) a contribution to a fund established to support a candidate's participation in a recount of ballots affecting that candidate's election;

(25) costs paid by a candidate's principal campaign committee for a single reception given in honor of the candidate's retirement from public office after the filing period for affidavits of candidacy for that office has closed;

(26) a donation from a terminating principal campaign committee to the state general fund; ~~and~~

(27) a donation from a terminating principal campaign committee to a county obligated to incur special election expenses due to that candidate's resignation from state office-; and

(28) during a period starting January 1 in the year following a general election and ending on December 31 of the year of general election, payments of \$2,000 or less for security-related expenses for a candidate and any immediate family member of the candidate, including but not limited to home security cameras, a home security system, and identity theft monitoring services. For purposes of this clause, an immediate family member is a person who resides in the candidate's household and is the candidate's spouse, fiancée, fiancé, grandparent, parent, child, grandchild, sibling, including adoptive, half, step, and in-law relationships.

(b) The board must determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.

(c) A noncampaign disbursement is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

Sec. 11. Minnesota Statutes 2020, section 10A.01, subdivision 27, is amended to read:

Subd. 27. **Political committee.** "Political committee" means an association whose major purpose is to influence the nomination or election of one or more candidates or local candidates or to promote or defeat a ballot question, other than a principal campaign committee, local candidate, or a political party unit.

Sec. 12. Minnesota Statutes 2020, section 10A.01, subdivision 28, is amended to read:

Subd. 28. **Political fund.** "Political fund" means an accumulation of dues or voluntary contributions by an association other than a political committee, principal campaign committee, or party unit, if the accumulation is collected or expended to influence the nomination or election of one or more candidates or local candidates or to promote or defeat a ballot question. The term political fund as used in this chapter may also refer to the association acting through its political fund.

Sec. 13. Minnesota Statutes 2020, section 10A.01, subdivision 35, is amended to read:

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

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, director of the Legislative Budget Office, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;
- (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or unemployment law judge in the Department of Employment and Economic Development;
- (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
- (15) member or executive director of the Higher Education Facilities Authority;
- (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- (17) member of the board of directors or executive director of the Minnesota State High School League;
- (18) member of the Minnesota Ballpark Authority established in section 473.755;
- (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- (20) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;

- (21) supervisor of a soil and water conservation district;
- (22) director of Explore Minnesota Tourism;
- (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056;
- (24) citizen member of the Clean Water Council established in section 114D.30;
- (25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;
- (26) district court judge, appeals court judge, or supreme court justice;
- (27) county commissioner;
- (28) member of the Greater Minnesota Regional Parks and Trails Commission; ~~or~~
- (29) member of the Destination Medical Center Corporation established in section 469.41; or
- (30) chancellor or member of the Board of Trustees of the Minnesota State Colleges and Universities.

Sec. 14. Minnesota Statutes 2020, section 10A.09, subdivision 1, is amended to read:

Subdivision 1. **Time for filing.** An individual must file a statement of economic interest ~~with the board:~~

- (1) within 60 days of accepting employment as a public official or a local official in a metropolitan governmental unit;
- (2) within 60 days of assuming office as a district court judge, appeals court judge, supreme court justice, or county commissioner;
- (3) within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective state constitutional or legislative office or an elective local office in a metropolitan governmental unit other than county commissioner;
- (4) in the case of a public official requiring the advice and consent of the senate, within 14 days after undertaking the duties of office; or
- (5) in the case of members of the Minnesota Racing Commission, the director of the Minnesota Racing Commission, chief of security, medical officer, inspector of pari-mutuels, and stewards employed or approved by the commission or persons who fulfill those duties under contract, within 60 days of accepting or assuming duties.

Sec. 15. Minnesota Statutes 2020, section 10A.09, subdivision 2, is amended to read:

Subd. 2. **Notice to board.** The secretary of state or the appropriate county auditor, upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public ~~or local~~ official required by this section to file a statement of economic interest, must notify the board of the name of the individual required to file a statement and the date of the affidavit, petition, or nomination.

Sec. 16. Minnesota Statutes 2020, section 10A.09, subdivision 5, is amended to read:

Subd. 5. **Form; general requirements.** (a) A statement of economic interest required by this section must be on a form prescribed by the board. The individual filing must provide the following information:

(1) name, address, occupation, and principal place of business;

(2) the name of each associated business and the nature of that association;

(3) a listing of all real property within the state, excluding homestead property, in which the individual holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the interest is valued in excess of \$2,500; or (ii) an option to buy, if the property has a fair market value of more than \$50,000;

(4) a listing of all real property within the state in which a partnership of which the individual is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the individual's share of the partnership interest is valued in excess of \$2,500; or (ii) an option to buy, if the property has a fair market value of more than \$50,000. A listing under this clause or clause (3) must indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county in which the property is located;

(5) a listing of any investments, ownership, or interests in property connected with pari-mutuel horse racing in the United States and Canada, including a racehorse, in which the individual directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest;

(6) a listing of the principal business or professional activity category of each business from which the individual receives more than \$250 in any month during the reporting period as an employee, if the individual has an ownership interest of 25 percent or more in the business;

(7) a listing of each principal business or professional activity category from which the individual received compensation of more than \$2,500 in the past 12 months as an independent contractor; and

(8) a listing of the full name of each security with a value of more than \$10,000 owned in part or in full by the individual, at any time during the reporting period.

(b) The business or professional categories for purposes of paragraph (a), clauses (6) and (7), must be the general topic headings used by the federal Internal Revenue Service for purposes of reporting self-employment income on Schedule C. This paragraph does not require an individual to report any specific code number from that schedule. Any additional principal business or professional activity category may only be adopted if the category is enacted by law.

~~(c) For the purpose of an original statement of economic interest, "compensation in any month" includes only compensation received in the calendar month immediately preceding the date of appointment as a public official or filing as a candidate.~~

~~(d)~~ (c) For the purpose of calculating the amount of compensation received from any single source in a single month, the amount shall include the total amount received from the source during the month, whether or not the amount covers compensation for more than one month.

~~(e)~~ (d) For the purpose of determining the value of an individual's interest in real property, the value of the property is the market value shown on the property tax statement.

~~(f) For the purpose of an original statement of economic interest, the individual shall disclose only those real properties owned on the date of appointment as a public official or filing as a candidate.~~

~~(g)~~ (e) For the purpose of this section, "date of appointment" means the effective date of appointment to a position.

~~(h)~~ (f) For the purpose of this section, "accepting employment as a public official" means the effective date of the appointment to the position, as stated in the appointing authority's notice to the board.

Sec. 17. Minnesota Statutes 2020, section 10A.09, is amended by adding a subdivision to read:

Subd. 5a. Original statement; reporting period. (a) An original statement of economic interest required under subdivision 1, clause (1), must cover the calendar month before the month in which the individual accepted employment as a public official or a local official in a metropolitan governmental unit.

(b) An original statement of economic interest required under subdivision 1, clauses (2), (4), and (5), must cover the calendar month before the month in which the individual assumed or undertook the duties of office.

(c) An original statement of economic interest required under subdivision 1, clause (3), must cover the calendar month before the month in which the candidate filed the affidavit of candidacy.

Sec. 18. Minnesota Statutes 2020, section 10A.09, subdivision 6, is amended to read:

Subd. 6. Annual statement. (a) Each individual who is required to file a statement of economic interest must also file an annual statement by the last Monday in January of each year that the individual remains in office. The annual statement must cover the period through December 31 of the year prior to the year when the statement is due. The annual statement must include the amount of each honorarium in excess of ~~\$50~~ \$250 received since the previous statement and the name and address of the source of the honorarium. The board must maintain each annual statement of economic interest submitted by an officeholder in the same file with the statement submitted as a candidate.

~~(b) For the purpose of annual statements of economic interest to be filed, "compensation in any month" includes compensation and honoraria received in any month between the end of the period covered in the preceding statement of economic interest and the end of the current period.~~

~~(c)~~ (b) An individual must file the annual statement of economic interest required by this subdivision to cover the period for which the individual served as a public official even though at the time the statement was filed, the individual is no longer holding that office as a public official.

~~(d) For the purpose of an annual statement of economic interest, the individual shall disclose any real property owned at any time between the end of the period covered by the preceding statement of economic interest and through the last day of the month preceding the current filing or the last day of employment, if the individual is no longer a public official.~~

Sec. 19. Minnesota Statutes 2020, section 10A.12, subdivision 1, is amended to read:

Subdivision 1. When required for contributions and approved expenditures. An association other than a political committee or party unit may not contribute more than \$750 in aggregate in any calendar year to candidates, local candidates, political committees, or party units or make approved expenditures of more than \$750 in aggregate in any calendar year unless the contribution or expenditure is made through a political fund.

Sec. 20. Minnesota Statutes 2020, section 10A.12, subdivision 2, is amended to read:

Subd. 2. **Commingling prohibited.** The contents of an association's political fund may not be commingled with other funds or with the personal funds of an officer or member of the association or the fund. It is not commingling for an association that uses only its own general treasury money to make expenditures and disbursements permitted under section 10A.121, subdivision 1, directly from the depository used for its general treasury money. An association that accepts more than \$1,500 in aggregate in contributions to influence the nomination or election of candidates or local candidates or more than \$5,000 in contributions to promote or defeat a ballot question must establish a separate depository for those contributions.

Sec. 21. Minnesota Statutes 2020, section 10A.121, subdivision 2, is amended to read:

Subd. 2. **Penalty.** (a) An independent expenditure political committee or independent expenditure political fund is subject to a civil penalty of up to four times the amount of the contribution or approved expenditure if it does the following:

(1) makes a contribution to a candidate, local candidate, party unit, political committee, or political fund other than an independent expenditure political committee or an independent expenditure political fund; or

(2) makes an approved expenditure.

(b) No other penalty provided in law may be imposed for conduct that is subject to a civil penalty under this section.

Sec. 22. Minnesota Statutes 2020, section 10A.13, subdivision 1, is amended to read:

Subdivision 1. **Accounts; penalty.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must keep an account of:

(1) the sum of all contributions, except any donation in kind valued at \$20 or less, made to the committee, fund, or party unit;

(2) the name and address of each source of a contribution made to the committee, fund, or party unit in excess of \$20, together with the date and amount of each;

(3) each expenditure made by the committee, fund, or party unit, together with the date and amount;

(4) each approved expenditure made on behalf of the committee, fund, or party unit, together with the date and amount; and

(5) the name and address of each political committee, political fund, principal campaign committee, local candidate, or party unit to which contributions in excess of \$20 have been made, together with the date and amount.

Any individual who knowingly violates this subdivision is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 23. Minnesota Statutes 2020, section 10A.17, subdivision 4, is amended to read:

Subd. 4. **Independent expenditures.** An individual, political committee, political fund, principal campaign committee, or party unit that independently solicits or accepts contributions or makes independent expenditures on behalf of a candidate or local candidate must publicly disclose that the expenditure is an independent expenditure.

All written and broadcast communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate or local candidate must contain a statement in substantially the form provided in section 211B.04, subdivision 2. The statement must be on the front page of all written communications and at the end of all broadcast communications made by that individual, political committee, political fund, principal campaign committee, or party unit on the candidate's or local candidate's behalf.

Sec. 24. Minnesota Statutes 2020, section 10A.20, is amended by adding a subdivision to read:

Subd. 2a. **Local election reports.** (a) This subdivision applies to a political committee, political fund, or political party unit that during a non-general election year:

(1) spends in aggregate more than \$200 to influence the nomination or election of local candidates;

(2) spends in aggregate more than \$200 to make independent expenditures on behalf of local candidates; or

(3) spends in aggregate more than \$200 to promote or defeat ballot questions defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

(b) In addition to the reports required by subdivision 2, the entities listed in paragraph (a) must file the following reports in each non-general election year:

(1) a first-quarter report covering the calendar year through March 31, which is due April 14;

(2) a report covering the calendar year through May 31, which is due June 14;

(3) a pre-primary-election report due 15 days before the local primary election date specified in section 205.065;

(4) a pre-general-election report due 42 days before the local general election; and

(5) a pre-general-election report due ten days before a local general election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the entity reaches the spending threshold specified in paragraph (a).

Sec. 25. Minnesota Statutes 2020, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **Contents of report.** (a) The report required by this section must include each of the items listed in paragraphs (b) to (q) that are applicable to the filer. The board shall prescribe forms based on filer type indicating which of those items must be included on the filer's report.

(b) The report must disclose the amount of liquid assets on hand at the beginning of the reporting period.

(c) The report must disclose the name, address, employer, or occupation if self-employed, and registration number if registered with the board, of each individual or association that has made one or more contributions to the reporting entity, including the purchase of tickets for a fund-raising effort, that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions, together with the amount and date of each contribution, and the aggregate amount of contributions within the year from each source so disclosed. A donation in kind must be disclosed at its fair market value. An approved expenditure must be listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors must be listed in alphabetical order. Contributions from the same contributor must be listed under the same name. When a contribution received from a contributor in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of this paragraph, the name, address, and employer, or occupation if self-employed, of the contributor must then be listed on the report.

(d) The report must disclose the sum of contributions to the reporting entity during the reporting period.

(e) The report must disclose each loan made or received by the reporting entity within the year in aggregate in excess of \$200, continuously reported until repaid or forgiven, together with the name, address, occupation, principal place of business, if any, and registration number if registered with the board of the lender and any endorser and the date and amount of the loan. If a loan made to the principal campaign committee of a candidate is forgiven or is repaid by an entity other than that principal campaign committee, it must be reported as a contribution for the year in which the loan was made.

(f) The report must disclose each receipt over \$200 during the reporting period not otherwise listed under paragraphs (c) to (e).

(g) The report must disclose the sum of all receipts of the reporting entity during the reporting period.

(h) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom aggregate expenditures, approved expenditures, independent expenditures, and ballot question expenditures have been made by or on behalf of the reporting entity within the year in excess of \$200, together with the amount, date, and purpose of each expenditure, including an explanation of how the expenditure was used, and the name and address of, and office sought by, each candidate or local candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat and an indication of whether the expenditure was to promote or to defeat the ballot question, and in the case of independent expenditures made in opposition to a candidate or local candidate, the candidate's or local candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate ~~for state or legislative office~~ or local candidate must allocate the expenditure among the candidates and local candidates on a reasonable cost basis and report the allocation for each candidate or local candidate. The report must list on separate schedules any independent expenditures made on behalf of local candidates and any expenditures made for ballot questions as defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

(i) The report must disclose the sum of all expenditures made by or on behalf of the reporting entity during the reporting period.

(j) The report must disclose the amount and nature of an advance of credit incurred by the reporting entity, continuously reported until paid or forgiven. If an advance of credit incurred by the principal campaign committee of a candidate is forgiven by the creditor or paid by an entity other than that principal campaign committee, it must be reported as a donation in kind for the year in which the advance of credit was made.

(k) The report must disclose the name, address, and registration number if registered with the board of each political committee, political fund, principal campaign committee, local candidate, or party unit to which contributions have been made that aggregate in excess of \$200 within the year and the amount and date of each contribution. The report must list on separate schedules any contributions made to state candidates' principal campaign committees and any contributions made to local candidates.

(l) The report must disclose the sum of all contributions made by the reporting entity during the reporting period and must separately disclose the sum of all contributions made to local candidates by the reporting entity during the reporting period.

(m) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$200 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement, including an explanation of how the expenditure was used.

(n) The report must disclose the sum of all noncampaign disbursements made within the year by or on behalf of the reporting entity.

(o) The report must disclose the name and address of a nonprofit corporation that provides administrative assistance to a political committee or political fund as authorized by section 211B.15, subdivision 17, the type of administrative assistance provided, and the aggregate fair market value of each type of assistance provided to the political committee or political fund during the reporting period.

(p) Legislative, statewide, and judicial candidates, party units, and political committees and funds must itemize contributions that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions on reports submitted to the board. The itemization must include the date on which the contribution was received, the individual or association that provided the contribution, and the address of the contributor. Additionally, the itemization for a donation in kind must provide a description of the item or service received. Contributions that are less than the itemization amount must be reported as an aggregate total.

(q) Legislative, statewide, and judicial candidates, party units, political committees and funds, and committees to promote or defeat a ballot question must itemize expenditures and noncampaign disbursements that in aggregate exceed \$200 in a calendar year on reports submitted to the board. The itemization must include the date on which the committee made or became obligated to make the expenditure or disbursement, the name and address of the vendor that provided the service or item purchased, and a description of the service or item purchased, including an explanation of how the expenditure was used. Expenditures and noncampaign disbursements must be listed on the report alphabetically by vendor.

Sec. 26. Minnesota Statutes 2020, section 10A.20, subdivision 6a, is amended to read:

Subd. 6a. **Statement of independence.** An individual, political committee, political fund, or party unit filing a report or statement disclosing an independent expenditure under subdivision 3 or 6 must file with the report a sworn statement that the disclosed expenditures were not made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of any candidate; ~~or any candidate's principal campaign committee or agent; any local candidate, or any local candidate's agent.~~

Sec. 27. Minnesota Statutes 2020, section 10A.20, subdivision 13, is amended to read:

Subd. 13. **Third-party reimbursement.** An individual or association filing a report disclosing an expenditure or noncampaign disbursement that must be reported and itemized under subdivision 3, paragraph ~~(g)~~ (h) or ~~(h)~~ (m), that is a reimbursement to a third party must report the purpose of each expenditure or disbursement for which the third party is being reimbursed. In the alternative, the reporting individual or association may report individually each of the underlying expenditures being reimbursed. An expenditure or disbursement is a reimbursement to a third party if it is for goods or services that were not directly provided by the individual or association to whom the expenditure or disbursement is made. Third-party reimbursements include payments to credit card companies and reimbursement of individuals for expenses they have incurred.

Sec. 28. Minnesota Statutes 2020, section 10A.27, subdivision 13, is amended to read:

Subd. 13. **Unregistered association limit; statement; penalty.** (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$200 from an association not registered under this chapter unless the contribution is accompanied by a ~~written~~ statement that meets the disclosure and reporting period requirements imposed by section 10A.20. The statement may be a written statement or a government website where the disclosure report for the unregistered association may be viewed. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the written statement or website with the report that discloses the contribution to the board.

(b) An unregistered association may provide the ~~written~~ statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

(1) fails to provide a ~~written~~ statement as required by this subdivision; or

(2) fails to register after giving the ~~written~~ statement required by this subdivision to more than three committees, funds, or party units in a calendar year.

(c) The treasurer of a political committee, political fund, principal campaign committee, or party unit who accepts a contribution in excess of \$200 from an unregistered association without the required ~~written~~ disclosure statement is subject to a civil penalty up to four times the amount in excess of \$200.

(d) This subdivision does not apply:

(1) when a national political party contributes money to its state committee; ~~or~~

(2) when a federal committee of a major or minor political party registered with the board gives an in-kind contribution to the federal committee's state central committee or a party organization within a house of the state legislature; or

~~(2)~~ (3) to purchases by candidates for federal office of tickets to events or space rental at events held by party units in this state (i) if the geographical area represented by the party unit includes any part of the geographical area of the office that the federal candidate is seeking and (ii) the purchase price is not more than that paid by other attendees or renters of similar spaces.

Sec. 29. Minnesota Statutes 2020, section 10A.275, subdivision 1, is amended to read:

Subdivision 1. **Exceptions.** Notwithstanding other provisions of this chapter, the following expenditures by a party unit, or two or more party units acting together, with at least one party unit being either: the state committee or the party organization within a congressional district, county, or legislative district, are not considered contributions to or expenditures on behalf of a candidate for the purposes of section 10A.25 or 10A.27 and must not be allocated to candidates under section 10A.20, subdivision 3, paragraph ~~(g)~~ (h):

(1) expenditures on behalf of candidates of that party generally without referring to any of them specifically in a published, posted, or broadcast advertisement;

(2) expenditures for the preparation, display, mailing, or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(3) expenditures for a telephone ~~conversation including~~ call, voice mail, text message, multimedia message, internet chat message, or e-mail when the communication includes the names of three or more individuals whose names are to appear on the ballot;

(4) expenditures for a political party fund-raising effort on behalf of three or more candidates; or

(5) expenditures for party committee staff services that benefit three or more candidates.

Sec. 30. Minnesota Statutes 2020, section 10A.323, is amended to read:

10A.323 AFFIDAVIT OF CONTRIBUTIONS.

(a) In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy under section 10A.31 a candidate or the candidate's treasurer must:

(1) between January 1 of the previous year and the cutoff date for transactions included in the report of receipts and expenditures due before the primary election, accumulate contributions from individuals eligible to vote in this state in at least the amount indicated for the office sought, counting only the first \$50 received from each contributor, excluding in-kind contributions:

- (i) candidates for governor and lieutenant governor running together, \$35,000;
- (ii) candidates for attorney general, \$15,000;
- (iii) candidates for secretary of state and state auditor, separately, \$6,000;
- (iv) candidates for the senate, \$3,000; and
- (v) candidates for the house of representatives, \$1,500;

(2) file an affidavit with the board stating that the principal campaign committee has complied with this paragraph. The affidavit must state the total amount of contributions that have been received from individuals eligible to vote in this state, excluding:

- (i) the portion of any contribution in excess of \$50;
- (ii) any in-kind contribution; and
- (iii) any contribution for which the name and address of the contributor is not known and recorded; and

(3) submit the affidavit required by this section to the board in writing by the deadline for reporting of receipts and expenditures before a primary under section 10A.20, subdivision ~~4~~ 2.

(b) A candidate for a vacancy to be filled at a special election for which the filing period does not coincide with the filing period for the general election must accumulate the contributions specified in paragraph (a) and must submit the affidavit required by this section to the board within five days after the close of the filing period for the special election for which the candidate filed.

(c) Notwithstanding paragraphs (a) and (b), a candidate for a vacancy to be filled at a special election called under section 204B.13, subdivision 2, paragraph (c), must accumulate the contributions specified in paragraph (a) and must submit the affidavit required by this section to the board within 12 calendar days after the general election.

(d) A candidate or the candidate's treasurer must be able to electronically file the affidavit required under this section in the same manner as other reports required by this chapter. The board must not require the candidate or candidate's treasurer to notarize the affidavit of contribution.

Sec. 31. Minnesota Statutes 2020, section 211B.04, subdivision 2, is amended to read:

Subd. 2. **Independent expenditures.** (a) The required form of the disclaimer on a written independent expenditure is: "This is an independent expenditure prepared and paid for by (name of entity participating in the expenditure), (address). It is not coordinated with or approved by any candidate nor is any candidate responsible for it. The top three contributors funding this expenditure are (1), (2), and (3)" The address must be either the entity's mailing address or the entity's website, if the website includes the entity's mailing address. When a written independent expenditure is produced and disseminated without cost, the words "and paid for" may be omitted from the disclaimer.

(b) The required form of the disclaimer on a broadcast independent expenditure is: "This independent expenditure is paid for by (name of entity participating in the expenditure). It is not coordinated with or approved by any candidate nor is any candidate responsible for it. The top three contributors funding this expenditure are (1), (2), and (3)" When a broadcast independent expenditure is produced and disseminated without cost, the following disclaimer may be used: "..... (name of entity participating in the expenditure) is responsible for the contents of this independent expenditure. It is not coordinated with or approved by any candidate nor is any candidate responsible for it."

(c) The listing of the top three contributors required to be included in a disclaimer under this subdivision must identify by name the three individuals or entities making the largest contribution required to be reported under chapter 10A to the expending entity during the 12-month period preceding the first date at which the expenditure was published or presented to the public. Contributions to the expending entity that are segregated, tracked, and used for purposes other than the expenditure requiring the disclaimer should not be included in calculating the top three contributors required to be identified under this subdivision.

Sec. 32. Minnesota Statutes 2020, section 211B.04, subdivision 3, is amended to read:

Subd. 3. **Material that does not need a disclaimer.** (a) This section does not apply to fund-raising tickets, business cards, personal letters, or similar items that are clearly being distributed by the candidate.

(b) This section does not apply to an individual or association that is not required to register or report under chapter 10A or 211A.

(c) This section does not apply to the following:

(1) bumper stickers, pins, buttons, pens, or similar small items on which the disclaimer cannot be conveniently printed; and

(2) skywriting, wearing apparel, or other means of displaying an advertisement of such a nature that the inclusion of a disclaimer would be impracticable; ~~and~~

~~(3) online banner ads and similar electronic communications that link directly to an online page that includes the disclaimer.~~

(d) This section does not modify or repeal section 211B.06.

Sec. 33. Minnesota Statutes 2020, section 211B.04, is amended by adding a subdivision to read:

Subd. 3a. **Certain electronic communications and advertisements.** Notwithstanding subdivisions 1 and 2, the Campaign Finance and Public Disclosure Board must adopt rules using the expedited process in section 14.389 to specify the form and content of the disclaimer required by those subdivisions for small electronic communications

on which the full disclaimer cannot be conveniently printed, including but not limited to online banner ads, text messages, social media communications, and small advertisements appearing on a mobile telephone or other handheld electronic device. In its rules, the board may waive the disclaimer requirement for categories of communications where inclusion would be technologically impossible.

Sec. 34. Minnesota Statutes 2020, section 383B.041, is amended to read:

383B.041 CAMPAIGN FINANCING, DISCLOSURE OF ECONOMIC INTERESTS.

Subdivision 1. **Hennepin County candidates.** Sections 383B.041 to 383B.058 apply to the financing of campaigns for county elections in Hennepin County and for city elections in home rule charter cities and statutory cities located wholly within Hennepin County, having a population of 75,000 or more, and for school board elections in the Special School District No. 1, Minneapolis, and to disclosure of economic interests by candidates and elected public officials of those jurisdictions. The provisions of sections 211A.02 to 211A.07 do not apply to the financing of campaigns for elections subject to the provisions of sections 383B.041 to 383B.058. Candidates for county commissioner, county attorney, and sheriff of Hennepin County must file campaign disclosure forms with the filing officer for Hennepin County. These candidates are subject to the provisions of chapter 211A.

Subd. 2. **Political subdivision candidates.** Candidates for elected city, school board, park commissioner, and other political subdivision offices within Hennepin County shall file campaign disclosure forms with the filing officer for the political subdivision for which the candidate is seeking office. These candidates are subject to the provisions of chapter 211A.

Subd. 3. **Political committees, political funds, and independent expenditures.** (a) The provisions of chapter 10A apply to political committees as defined in section 10A.01, subdivision 27; political funds as defined in section 10A.01, subdivision 28; and independent expenditures as defined in section 10A.01, subdivision 18, related to:

(1) a campaign for the nomination or election of a candidate for:

(i) a county office in Hennepin County;

(ii) a city office in a home rule charter or statutory city located wholly within Hennepin County with a population of 75,000 or more; or

(iii) the school board in Special School District No. 1; and

(2) a ballot question or proposition that may be voted on by:

(i) all voters in Hennepin County;

(ii) all voters of a home rule charter or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(iii) all voters in Special School District No. 1.

(b) The provisions of chapter 211A apply to a campaign for nomination or election for an office in the following political subdivisions:

(1) a home rule or statutory city located wholly within Hennepin County and having a population of less than 75,000; and

(2) a school district located wholly within Hennepin County other than Special School District No. 1.

(c) The provisions of chapter 211A apply to a ballot question or proposition that may be voted on by:

(1) all voters of a home rule or statutory city located wholly within Hennepin County and having a population of less than 75,000; and

(2) all voters of a school district located wholly within Hennepin County other than Special School District No. 1.

Subd. 4. **Local ordinances and charters superseded.** This section supersedes the provisions of any ordinance or resolution of a political subdivision within Hennepin County, or any existing special law or home rule charter provision of a political subdivision within Hennepin County requiring disclosure of information related to the financing of election campaigns.

Subd. 5. **Economic interest disclosure; Special School District No. 1.** Every candidate for school board in Special School District No. 1, Minneapolis, must file an original statement of economic interest with the school district within 14 days of the filing of an affidavit or petition to appear on the ballot. An elected official in Special School District No. 1, Minneapolis, must file the annual statement required in section 10A.09, subdivision 6, with the school district for every year that the individual serves in office. An original and annual statement must contain the information listed in section 10A.09, subdivision 5. The provisions of section 10A.09, subdivisions 6a, 7, and 9, apply to statements required under this subdivision.

Sec. 35. **REPEALER.**

Subdivision 1. **Enterprise Minnesota, Inc.** Minnesota Statutes 2020, sections 116O.03, subdivision 9; and 116O.04, subdivision 3, are repealed.

Subd. 2. **Hennepin County.** Minnesota Statutes 2020, sections 10A.15, subdivision 6; 383B.042; 383B.043; 383B.044; 383B.045; 383B.046; 383B.047; 383B.048; 383B.049; 383B.05; 383B.051; 383B.052; 383B.053; 383B.054; 383B.055; 383B.056; and 383B.057, are repealed.

Sec. 36. **EFFECTIVE DATE.**

This article is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

ARTICLE 5 INFORMATION TECHNOLOGY

Section 1. **[3.888] LEGISLATIVE COMMISSION ON CYBERSECURITY.**

Subdivision 1. **Membership.** The Legislative Commission on Cybersecurity consists of the following eight members:

(1) four members of the senate, including two senators appointed by the senate majority leader and two senators appointed by the senate minority leader; and

(2) four members of the house of representatives, including two members appointed by the speaker of the house and two members appointed by the minority leader of the house.

Subd. 2. **Terms; vacancies.** Members of the commission serve for a two-year term beginning on appointment and expiring on appointment of a successor after the opening of the next regular session of the legislature in the odd-numbered year. A vacancy in the membership of the commission must be filled for the unexpired term in a manner that will preserve the representation established by this section.

Subd. 3. **Duties.** The commission shall provide oversight of the state's cybersecurity measures. The commission shall review the policies and practices of state agencies with regard to cybersecurity and may recommend changes in policy to adequately protect the state from cybersecurity threats. The commission may develop recommendations and draft legislation to support and strengthen the state's cybersecurity infrastructure.

Subd. 4. **Chair.** The commission shall elect a chair by a majority vote of members present. The officers shall alternate between a member of the senate and a member of the house of representatives. A chair shall serve a two-year term expiring upon election of a new chair after the opening of the next regular session of the legislature in the odd-numbered year.

Subd. 5. **Meetings.** The commission must meet at least three times per calendar year. The meetings of the commission are subject to section 3.055, except that the commission may close a meeting when necessary to safeguard the state's cybersecurity. The minutes, recordings, and documents from a closed meeting under this subdivision shall be maintained by the Legislative Coordinating Commission and shall not be made available to the public until eight years after the date of the meeting.

Subd. 6. **Administration.** The Legislative Coordinating Commission shall provide administrative services for the commission.

Subd. 7. **Sunset.** The commission sunsets December 31, 2028.

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

Sec. 2. Minnesota Statutes 2020, section 15.01, is amended to read:

15.01 DEPARTMENTS OF THE STATE.

The following agencies are designated as the departments of the state government: the Department of Administration; the Department of Agriculture; the Department of Commerce; the Department of Corrections; the Department of Education; the Department of Employment and Economic Development; the Department of Health; the Department of Human Rights; the Department of Information Technology Services; the Department of Iron Range Resources and Rehabilitation; the Department of Labor and Industry; the Department of Management and Budget; the Department of Military Affairs; the Department of Natural Resources; the Department of Public Safety; the Department of Human Services; the Department of Revenue; the Department of Transportation; the Department of Veterans Affairs; and their successor departments.

Sec. 3. Minnesota Statutes 2020, section 16E.01, is amended to read:

16E.01 OFFICE OF MN.IT MINNESOTA DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(8) (6) promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;~~

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

~~(10) (7) manage and promote the regular and periodic reinvestment in the information and telecommunications technology systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;~~

~~(11) (8) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services; and electronic data practices and privacy; and electronic commerce among international, national, state, and local public and private organizations within the executive branch;~~

~~(12) (9) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by state agencies;~~

~~(13) (10) identify, sponsor, develop, and execute shared information and telecommunications technology projects and ongoing operations;~~

~~(14) (11) ensure overall security of the state's information and technology systems and services; and~~

~~(15) (12) manage and direct compliance with accessibility standards for informational technology, including hardware, software, websites, online forms, and online surveys.~~

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

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

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

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

(f) The chief information officer shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the ~~office~~ department regarding projects the ~~office~~ department has reviewed under paragraph (a), clause ~~(43)~~ (10). The report must include the reasons for the determinations made in the review of each project and a description of its current status.

Sec. 4. Minnesota Statutes 2020, section 16E.016, is amended to read:

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

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

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

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

(c) Subject to sections 16C.08 and 16C.09, the chief information officer may allow a state agency to obtain services specified in paragraph (a) through a contract with an outside vendor when the chief information officer and the agency head agree that a contract would provide best value, as defined in section 16C.02, under the service-level

agreement. The chief information officer must require that agency contracts with outside vendors ensure that systems and services are compatible with standards established by the ~~Office of MN.IT~~ Department of Information Technology Services.

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

Sec. 5. Minnesota Statutes 2020, section 16E.02, is amended to read:

16E.02 OFFICE OF MN.IT MINNESOTA DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; STRUCTURE AND PERSONNEL.

Subdivision 1. **Office Department management and structure.** (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology ~~advisor~~ adviser to the governor.

(b) The chief information officer may appoint other employees of the ~~office~~ department. ~~The Staff of the office~~ department must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.

~~(c) The chief information officer may appoint a webmaster responsible for the supervision and development of state websites under the control of the office. The webmaster, if appointed, shall ensure that these websites are maintained in an easily accessible format that is consistent throughout state government and are consistent with the accessibility standards developed under section 16E.03, subdivision 9. The webmaster, if appointed, shall provide assistance and guidance consistent with the requirements of this paragraph to other state agencies for the maintenance of other websites not under the direct control of the office.~~

Subd. 1a. **Accountability.** The chief information officer reports to the governor. The chief information officer must consult regularly with the ~~executive branch agency commissioners of administration, management and budget, human services, revenue, and other commissioners as designated by the governor,~~ on technology projects, standards, and services as well as management of resources and staff utilization.

Sec. 6. Minnesota Statutes 2020, section 16E.03, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this chapter, the following terms have the meanings given them.

(b) "Information and telecommunications technology systems and services" means all computing and telecommunications hardware and software, the activities undertaken to secure that hardware and software, and the activities undertaken to acquire, transport, process, analyze, store, and disseminate information electronically. "Information and telecommunications technology systems and services" includes all proposed expenditures for computing and telecommunications hardware and software, security for that hardware and software, and related consulting or other professional services.

~~(e) "Information and telecommunications technology project" means an effort to acquire or produce information and telecommunications technology systems and services.~~

~~(d)~~ (c) "Telecommunications" means voice, video, and data electronic transmissions transported by wire, wireless, fiber-optic, radio, or other available transport technology.

~~(e)~~ (d) "Cyber security" means the protection of data and systems in networks connected to the Internet.

~~(f)~~ (e) "State agency" means an agency in the executive branch of state government and includes the Minnesota Office of Higher Education, but does not include the Minnesota State Colleges and Universities unless specifically provided elsewhere in this chapter.

~~(g)~~ (f) "Total expected project cost" includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase. Breaking a project into several phases does not affect the cost threshold, which must be computed based on the full cost of all phases.

~~(h)~~ (g) "Cloud computing" has the meaning described by the National Institute of Standards and Technology of the United States Department of Commerce in special publication 800-145, September 2011.

Sec. 7. Minnesota Statutes 2020, section 16E.03, subdivision 2, is amended to read:

Subd. 2. **Chief information officer's responsibility.** The chief information officer shall:

(1) design a master plan for information and telecommunications technology systems and services in the state ~~and its political subdivisions~~ and shall report on the plan to the governor and legislature at the beginning of each regular session;

(2) coordinate, review, and approve all information and telecommunications technology projects and oversee the state's information and telecommunications technology systems and services;

(3) establish and enforce compliance with standards for information and telecommunications technology systems and services that are cost-effective and support open systems environments and that are compatible with state, national, and international standards, including accessibility standards;

(4) maintain a library of systems and programs developed by the state ~~and its political subdivisions~~ for use by agencies of government;

(5) direct and manage the shared operations of the state's information and telecommunications technology systems and services; and

(6) establish and enforce standards and ensure acquisition of hardware and software necessary to protect data and systems in state agency networks connected to the Internet.

Sec. 8. Minnesota Statutes 2020, section 16E.03, subdivision 3, is amended to read:

Subd. 3. **Evaluation and approval.** A state agency may not undertake an information and telecommunications technology project until it has been evaluated according to the procedures developed under subdivision 4. The chief information officer or delegate shall give written approval of the proposed project. ~~When notified by the chief information officer that a project has not been approved, the commissioner of management and budget shall cancel the unencumbered balance of any appropriation allotted for the project.~~

Sec. 9. Minnesota Statutes 2020, section 16E.03, subdivision 6, is amended to read:

Subd. 6. **System development methods.** The chief information officer shall establish and, as necessary, update and modify methods for developing information and communications systems appropriate to the specific needs of individual state agencies. The development methods shall be used to define the design, programming, and implementation of systems. ~~The development methods must also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.~~

Sec. 10. Minnesota Statutes 2020, section 16E.036, is amended to read:

16E.036 ADVISORY ~~COMMITTEE~~ COUNCIL.

(a) The Technology Advisory ~~Committee~~ Council is created to advise the governor, executive branch, and state chief information officer. ~~The committee consists of~~ council shall consist of 15 voting members. The governor shall appoint six members appointed by the governor who are individuals actively involved in business planning for state executive branch agencies, one county member designated by the Association of Minnesota Counties, one member appointed by the governor as a representative of a union that represents state information technology employees, and one member appointed by the governor to represent private businesses. The governor shall also select six additional members with private-sector or public-sector IT experience or experience in academia pertaining to IT. The council shall have the following four ex-officio nonvoting members:

- (1) a member of the house of representatives selected by the speaker of the house;
- (2) a member of the house of representatives selected by the minority leader;
- (3) a member of the senate selected by the majority leader; and
- (4) a member of the senate selected by the minority leader.

The governor shall designate one of the 15 voting members to serve as the council's chair.

(b) Membership terms, removal of members, and filling of vacancies are as provided in section 15.059. Members do not receive compensation or reimbursement for expenses.

(c) ~~The committee shall select a chair from its members.~~ The chief information officer shall provide administrative support to the ~~committee~~ council.

(d) ~~The committee~~ council shall advise the chief information officer on:

- (1) development and implementation of the state information technology strategic plan;
- (2) critical information technology initiatives for the state;
- (3) standards for state information architecture;
- (4) identification of business and technical needs of state agencies;
- (5) strategic information technology portfolio management, project prioritization, and investment decisions;
- (6) ~~the office's~~ department's performance measures and fees for service agreements with executive branch agencies;
- (7) management of the state MN.IT services revolving fund; and
- (8) ~~the efficient and effective operation of the office~~ department.

Sec. 11. Minnesota Statutes 2020, section 16E.04, subdivision 3, is amended to read:

Subd. 3. **Risk assessment and mitigation.** (a) A risk assessment and risk mitigation plan are required for all information systems development projects undertaken by a state agency in the executive or judicial branch or by a constitutional officer. The chief information officer must contract with an entity outside of state government to

conduct the initial assessment and prepare the mitigation plan for a project estimated to cost more than \$5,000,000. The outside entity conducting the risk assessment and preparing the mitigation plan must not have any other direct or indirect financial interest in the project. The risk assessment and risk mitigation plan must provide for periodic monitoring by the commissioner until the project is completed.

(b) The risk assessment and risk mitigation plan must be paid for with money appropriated for the information and telecommunications technology project. ~~The chief information officer must notify the commissioner of management and budget when work has begun on a project and must identify the proposed budget for the project. The commissioner of management and budget shall ensure that no more than ten percent of the proposed budget be spent on the project, other than the money spent on the risk assessment and risk mitigation plan, is spent until the risk assessment and mitigation plan are reported to the chief information officer and the chief information officer has approved the risk mitigation plan.~~

Sec. 12. Minnesota Statutes 2020, section 16E.0465, subdivision 2, is amended to read:

Subd. 2. **Required review and approval.** (a) A state agency receiving an appropriation for an information and telecommunications technology project subject to this section must divide the project into phases.

(b) ~~The commissioner of management and budget may not authorize the~~ An encumbrance or expenditure of an appropriation of state funds to a state agency may not be made for any phase of a state agency information and telecommunications technology project, ~~device, or system~~ subject to this section unless the ~~Office of MN.IT~~ Minnesota Department of Information Technology Services has reviewed each phase of the project, ~~device, or system~~, and based on this review, the chief information officer has determined for each phase that:

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

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

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

Sec. 13. Minnesota Statutes 2020, section 16E.05, subdivision 1, is amended to read:

Subdivision 1. **Duties.** The ~~office~~ department, in consultation with interested persons, shall:

~~(1) coordinate statewide efforts by units of state and local government to plan for and develop a system for providing access to government services; and~~

~~(2) explore ways and means to improve citizen and business access to public services, including implementation of technological improvements.~~

Sec. 14. Minnesota Statutes 2020, section 16E.07, subdivision 12, is amended to read:

Subd. 12. **Private entity services; fee authority.** (a) The ~~office~~ department may enter into a contract with a private entity to manage, maintain, support, and expand North Star and online government information services to citizens and businesses.

(b) A contract established under paragraph (a) may provide for compensation of the private entity through a fee established under paragraph (c).

(c) The ~~office department~~, subject to the approval of the agency or ~~office department~~ responsible for the data or services involved in the transaction, may charge and may authorize a private entity that enters into a contract under paragraph (a) to charge a convenience fee for users of North Star and online government information services up to a total of \$2 per transaction, provided that no fee shall be charged for viewing or inspecting data. ~~The office shall consider the recommendation of the E Government Advisory Council under section 16E.071 in setting the convenience fee.~~ A fee established under this paragraph is in addition to any fees or surcharges authorized under other law.

(d) Receipts from the convenience fee shall be deposited in the North Star account established in subdivision 7. Notwithstanding section 16A.1285, subdivision 2, receipts credited to the account are appropriated to the ~~office department~~ for payment to the contracted private entity under paragraph (a). In lieu of depositing the receipts in the North Star account, the ~~office department~~ can directly transfer the receipts to the private entity or allow the private entity to retain the receipts pursuant to a contract established under this subdivision.

(e) The ~~office department~~ shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over state government finance by January 15 of each odd-numbered year regarding the convenience fee receipts and the status of North Star projects and online government information services developed and supported by convenience fee receipts.

Sec. 15. Minnesota Statutes 2020, section 16E.21, subdivision 2, is amended to read:

Subd. 2. **Charges.** (a) Upon agreement of the participating agency, the ~~Office of MN-IT~~ Minnesota Department of Information Technology Services may collect a charge or receive a fund transfer under section 16E.0466 for purchases of information and telecommunications technology systems and services by state agencies and other governmental entities through state contracts for purposes described in subdivision 1. Charges collected under this section must be credited to the information and telecommunications technology systems and services account.

(b) Notwithstanding section 16A.28, subdivision 3, any unexpended operating balance appropriated to a state agency may be transferred to the information and telecommunications technology systems and services account for the information technology cost of a specific project, subject to the review of the Legislative Advisory Commission under subdivision 3.

Sec. 16. Minnesota Statutes 2020, section 97A.057, subdivision 1, is amended to read:

Subdivision 1. **Compliance with federal law.** The commissioner shall take any action necessary to comply with the Federal Aid in Wildlife Restoration Act, United States Code, title 16, sections 669 to 669i, and the Federal Aid in Fish Restoration Act, United States Code, title 16, sections 777 to 777k. ~~Notwithstanding section 16E.145 or~~ any ~~other~~ law to the contrary, an appropriation for an information or telecommunications technology project from the game and fish fund, as established in section 97A.055, must be made to the commissioner. Any assets acquired with or expenditures made from the game and fish fund must remain under control of the commissioner.

Sec. 17. **FIRST APPOINTMENTS AND FIRST MEETING OF LEGISLATIVE COMMISSION ON CYBERSECURITY.**

Subdivision 1. **First appointments.** Appointing authorities must make initial appointments to the Legislative Commission on Cybersecurity within 60 days after final enactment.

Subd. 2. **First meeting.** The majority leader of the senate shall designate one senate member of the Legislative Commission on Cybersecurity under Minnesota Statutes, section 3.888, to convene the first meeting within 105 days after final enactment. The commission must select a chair from among the senate members at the first meeting.

Subd. 3. **Meetings in 2021.** Notwithstanding Minnesota Statutes, section 3.888, subdivision 5, the commission must meet at least twice in 2021.

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

Sec. 18. **REVISOR INSTRUCTION.**

The revisor of statutes shall change "Office of MN.IT Services" or similar terms to "Minnesota Department of Information Technology Services" wherever it appears in Minnesota Statutes.

Sec. 19. **REPEALER.**

Minnesota Statutes 2020, sections 16E.0466, subdivision 1; 16E.05, subdivision 3; 16E.071; and 16E.145, are repealed.

ARTICLE 6 LOCAL GOVERNMENT POLICY

Section 1. **[13D.001] DEFINITIONS.**

Subdivision 1. **Applicability.** For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Interactive technology.** "Interactive technology" means a device, software program, or other application that allows individuals in different physical locations to see and hear one another.

Sec. 2. Minnesota Statutes 2020, section 13D.01, subdivision 4, is amended to read:

Subd. 4. **Votes to be kept in journal.** (a) The votes of the members of the state agency, board, commission, or department; or of the governing body, committee, subcommittee, board, department, or commission on an action taken in a meeting required by this section to be open to the public must be recorded in a journal ~~kept for that purpose or minutes.~~

(b) The vote of each member must be recorded on each appropriation of money, except for payments of judgments, claims, and amounts fixed by statute.

Sec. 3. Minnesota Statutes 2020, section 13D.01, subdivision 5, is amended to read:

Subd. 5. **Public access to journal.** The journal or any minutes used to record votes of a meeting subject to this chapter must be open to the public during all normal business hours where records of the public body are kept.

Sec. 4. Minnesota Statutes 2020, section 13D.015, is amended to read:

13D.015 STATE ENTITY MEETINGS BY TELEPHONE OR ~~OTHER ELECTRONIC MEANS~~ INTERACTIVE TECHNOLOGY.

Subdivision 1. **Application.** This section applies to:

(1) a state agency, board, commission, or department, and a statewide public pension plan defined in section 356A.01, subdivision 24; and

(2) a committee, subcommittee, board, department, or commission of an entity listed in clause (1).

Subd. 2. **Conditions.** An entity listed in subdivision 1 may conduct a meeting governed by this section and section 13D.01, subdivisions 1, 2, 4, and 5, by telephone or ~~other electronic means~~ interactive technology so long as the following conditions are met:

(1) all members of the entity participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the entity can hear all discussion and all votes of members of the entity and participate in testimony;

(3) at least one member of the entity is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Subd. 3. **Quorum; participation.** Each member of the entity participating in a meeting by telephone or ~~other electronic means~~ interactive technology is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

Subd. 4. **Monitoring from remote site; costs.** If telephone or ~~another electronic means~~ interactive technology is used to conduct a meeting, the entity, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. ~~The entity may require the person making a connection to pay for documented marginal costs that the entity incurs as a result of the additional connection.~~

Subd. 5. **Notice.** If telephone or ~~another electronic means~~ interactive technology is used to conduct a regular, special, or emergency meeting, the entity shall provide notice of the regular meeting location, of the fact that some members may participate by ~~electronic means~~ interactive technology, and of the provisions of subdivision 4. The timing and method of providing notice is governed by section 13D.04. In addition, the entity must post the notice on its website at least ten days before any regular meeting as defined in section 13D.04, subdivision 1.

Sec. 5. Minnesota Statutes 2020, section 13D.02, is amended to read:

13D.02 OTHER ENTITY MEETINGS CONDUCTED BY INTERACTIVE TV; CONDITIONS TECHNOLOGY.

Subdivision 1. **Conditions.** (a) A meeting governed by section 13D.01, subdivisions 1, 2, 4, and 5, and this section may be conducted by interactive ~~television~~ technology so long as:

(1) all members of the body participating in the meeting, wherever their physical location, can hear and see one another and can hear and see all discussion and testimony presented at any location at which at least one member is present;

(2) members of the public present at the regular meeting location of the body can hear and see all discussion and testimony and all votes of members of the body;

(3) at least one member of the body is physically present at the regular meeting location;

(4) all votes are conducted by roll call so each member's vote on each issue can be identified and recorded; and

(5) each location at which a member of the body is present is open and accessible to the public.

(b) A meeting satisfies the requirements of paragraph (a), although a member of the public body participates from a location that is not open or accessible to the public, if the member has not participated more than three times in a calendar year from a location that is not open or accessible to the public, and:

(1) the member is serving in the military and is at a required drill, deployed, or on active duty; or

(2) the member has been advised by a health care professional against being in a public place for personal or family medical reasons. This clause only applies when a state of emergency has been declared under section 12.31, and expires 60 days after the removal of the state of emergency.

Subd. 1a. Meeting exception. This section applies to meetings of entities described in section 13D.01, subdivision 1, except meetings of:

(1) a state agency, board, commission, or department and a statewide public pension plan defined in section 356A.01, subdivision 24; and

(2) a committee, subcommittee, board, department, or commission of an entity listed in clause (1).

Subd. 2. Members are present for quorum, participation. Each member of a body participating in a meeting by interactive ~~television~~ technology is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

Subd. 3. Monitoring from remote site; costs. If interactive ~~television~~ technology is used to conduct a meeting, to the extent practical, a public body shall allow a person to monitor the meeting electronically from a remote location. ~~The body may require the person making such a connection to pay for documented marginal costs that the public body incurs as a result of the additional connection.~~

Subd. 4. Notice of regular and all member sites. If interactive ~~television~~ technology is used to conduct a regular, special, or emergency meeting, the public body shall provide notice of the regular meeting location and notice of any site where a member of the public body will be participating in the meeting by interactive ~~television~~ technology. The timing and method of providing notice must be as described in section 13D.04.

~~**Subd. 5. School boards; interactive technology with an audio and visual link.** A school board conducting a meeting under this section may use interactive technology with an audio and visual link to conduct the meeting if the school board complies with all other requirements under this section.~~

Subd. 6. Record. The minutes for a meeting conducted under this section must reflect the names of any members appearing by interactive ~~television~~ technology and state the reason or reasons for the appearance by interactive ~~television~~ technology.

Sec. 6. Minnesota Statutes 2020, section 13D.021, is amended to read:

13D.021 MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS; CONDITIONS DURING PANDEMIC OR CHAPTER 12 EMERGENCY.

Subdivision 1. **Conditions.** A meeting governed by this section and section 13D.01, subdivisions 1, 2, 4, and 5, may be conducted by telephone or ~~other electronic means~~ interactive technology so long as the following conditions are met:

(1) the presiding officer, chief legal counsel, or chief administrative officer for the affected governing body determines that an in-person meeting or a meeting conducted under section 13D.015 or 13D.02 is not practical or prudent because of a health pandemic or an emergency declared under chapter 12;

(2) all members of the body participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(3) members of the public present at the regular meeting location of the body can hear all discussion and testimony and all votes of the members of the body, unless attendance at the regular meeting location is not feasible due to the health pandemic or emergency declaration;

(4) at least one member of the body, chief legal counsel, or chief administrative officer is physically present at the regular meeting location, unless unfeasible due to the health pandemic or emergency declaration; and

(5) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Subd. 2. **Members are present for quorum, participation.** Each member of the body participating in a meeting by telephone or ~~other electronic means~~ interactive technology is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

Subd. 3. **Monitoring from remote site; costs.** If telephone or ~~another electronic means~~ interactive technology is used to conduct a meeting, to the extent practical, the body shall allow a person to monitor the meeting electronically from a remote location. ~~The body may require the person making a connection to pay for the documented additional cost that the body incurs as a result of the additional connection.~~

Subd. 4. **Notice of regular and all member sites.** If telephone or ~~another electronic means~~ interactive technology is used to conduct a regular, special, or emergency meeting, the public body shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or ~~other electronic means~~ interactive technology, and of the provisions of subdivision 3. The timing and method of providing notice is governed by section 13D.04 ~~of the Open Meeting Law.~~

Subd. 5. **Public comment period during health pandemic or emergency.** If attendance at the regular meeting location is not feasible due to a health pandemic or emergency declaration and the public body offers a public comment period, members of the public shall be permitted to comment from a remote location during the public comment period of the meeting, to the extent practical.

Sec. 7. Minnesota Statutes 2020, section 462.358, is amended by adding a subdivision to read:

Subd. 2d. **Dedication fee; first class cities.** Notwithstanding subdivisions 2b and 2c, the city council or other chief governing body of a city of the first class, as defined in section 410.01, may require that a reasonable portion of land be dedicated to the public or may impose a dedication fee in conjunction with the construction permit required for new housing units and new commercial and industrial development in the city, wherever located, for public parks, playgrounds, recreational facilities, wetlands, trails, or open space. The city council or other chief governing body of the city must enact an ordinance to impose a dedication of land or a dedication fee. The ordinance may exempt senior housing and affordable housing applicants from the dedication of land or the dedication fee requirements. The ordinance may set the cash fee based on current land prices at the time the permit is issued or set at a flat fee rate per net new residential unit or other standard basis for commercial and industrial property.

EFFECTIVE DATE. This section is effective for ordinances enacted on or after August 1, 2021.

Sec. 8. Minnesota Statutes 2020, section 469.074, is amended by adding a subdivision to read:

Subd. 4. **Nonprofit corporation creation authority.** The Seaway Port Authority of Duluth may create a corporation as a nonprofit corporation under chapter 317A with the mission of furthering its goals and duties.

Sec. 9. Minnesota Statutes 2020, section 471.342, subdivision 1, is amended to read:

Subdivision 1. **City.** In this section, "city" means a home rule charter or statutory city, township, or any political subdivision of the state with statutory sewer ownership or operational responsibilities.

Sec. 10. Minnesota Statutes 2020, section 471.342, subdivision 4, is amended to read:

Subd. 4. **Program guidelines.** The city shall establish guidelines to govern the program. The guidelines shall establish criteria for program eligibility and standards for compliance with the program. Prior to adoption of the program guidelines, the city ~~council~~ must conduct a public hearing on the proposed guidelines after giving at least ten days' published notice of the hearing.

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

Sec. 11. Minnesota Statutes 2020, section 471.345, subdivision 20, is amended to read:

Subd. 20. **Solicitations to small business enterprises or veteran-owned small businesses.** A contract, as defined in subdivision 2, estimated not to exceed ~~\$250,000~~ \$750,000 may be made pursuant to the provisions of subdivision 4 provided that a business that is directly solicited is: (1) certified as a small business enterprise by a county designated small business certification program; or (2) certified by the commissioner of administration as a small business that is majority-owned and operated by a veteran or a service-disabled veteran. This subdivision applies only to county boards.

Sec. 12. **[471.585] MUNICIPAL HOTEL LICENSING.**

(a) A statutory or home rule charter city or a town may adopt an ordinance requiring hotels operating within the boundaries of the city or town to have a valid license issued by the city or town. A fee for a license under this section may not exceed \$100.

(b) An ordinance adopted under this section is limited to requiring compliance with state and local laws as a condition of licensure. No other licensing conditions or requirements are permitted.

(c) A city or town that has adopted an ordinance under this section may refuse to issue a license, or may revoke an existing license, if the hotel fails to comply with the conditions of the license.

Sec. 13. Minnesota Statutes 2020, section 473.606, subdivision 5, is amended to read:

Subd. 5. **Employees, others, affirmative action; prevailing wage.** The corporation shall have the power to appoint engineers and other consultants, attorneys, and such other officers, agents, and employees as it may see fit, who shall perform such duties and receive such compensation as the corporation may determine ~~notwithstanding the provisions of section 43A.17, subdivision 9,~~ and be removable at the pleasure of the corporation. The corporation must adopt an affirmative action plan, which shall be submitted to the appropriate agency or office of the state for review and approval. The plan must include a yearly progress report to the agency or office. Whenever the corporation performs any work within the limits of a city of the first class, or establishes a minimum wage for skilled or unskilled labor in the specifications or any contract for work within one of the cities, the rate of pay to such skilled and unskilled labor must be the prevailing rate of wage for such labor in that city.

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

Sec. 14. Laws 1963, chapter 305, section 2, as amended by Laws 1998, chapter 404, section 62, is amended to read:

Sec. 2.

The authority created under this act shall consist of 11 directors, seven appointed by the city of Duluth and four appointed by the governor. The directors serve without compensation but may be reimbursed for authorized out-of-pocket expenses incurred in the fulfillment of their duties. The original term of three of the directors shall be for one year; the original term of two of the directors shall be for two years; and the original term of two of the directors shall be for three years, and until their respective successors are appointed and qualified. Subsequent terms of

directors appointed by the city shall be for three years. All terms shall expire on June 30 of the appropriate year. Directors appointed by the governor serve at the pleasure of the governor. Whenever a vacancy on such authority shall occur by reason of resignation, death, removal from the city, or removal for failure or neglect to perform duties of a director, such vacancy shall be filled for the unexpired term. All appointments and removal of directors of the authority appointed by the city shall be made by the mayor, with the approval of the city council, evidenced by resolution. Every appointee who shall fail, within ten days after notification of ~~his~~ appointment, to file with the city clerk ~~his~~ the appointee's oath or affirmation to perform faithfully, honestly, and impartially the duties of ~~his~~ the office, shall be deemed to have refused such appointment, and thereupon another person shall be appointed in the manner prescribed in this section.

Sec. 15. Laws 1963, chapter 305, section 3, as amended by Laws 1998, chapter 404, section 63, is amended to read:

Sec. 3.

Subdivision 1. Within 30 days after the members of the authority shall have qualified for office, the authority shall meet and organize, and adopt and thereafter may amend such rules and regulations for the conduct of the authority as the authority shall deem to be in the public interest and most likely to advance, enhance, foster, and promote the use of regional assets, the entertainment and convention center, and its facilities for activities, conventions, events, and athletic and cultural productions. Such rules and regulations shall at all times be in harmony with this act.

Subd. 2. Such directors shall elect from among their number a ~~president chair~~ and a ~~vice-president vice-chair~~, and shall also elect a treasurer or secretary ~~who may or may not be a member of such authority, or both~~. No two of such offices may be held by one director. The officers shall have the duties and powers usually attendant upon such officers, and such other duties and powers not inconsistent herewith as may be provided by the authority.

Subd. 3. The authority shall select a specific site within the city of Duluth for location of a national class entertainment and convention center, and may spend money appropriated, or otherwise available to it for that purpose, to acquire property for the center and to plan, design, construct, equip, and furnish the center. The authority shall administer, promote, and operate the center as a state facility, but for which the state assumes no financial responsibility or liability beyond the amounts appropriated for the facility.

Sec. 16. Laws 1963, chapter 305, section 4, as amended by Laws 1998, chapter 404, section 64, is amended to read:

Sec. 4.

Subdivision 1. The city treasurer of the city of Duluth shall be the ~~treasurer~~ fiscal agent of the authority. The ~~treasurer~~ fiscal agent shall receive and have the custody of all moneys of the authority from whatever source derived, and the same shall be deemed public funds. The ~~treasurer~~ city of Duluth shall disburse such funds only upon written orders drawn against such funds, signed by the manager and approved by the ~~president chair~~, or in ~~his~~ the chair's absence, the ~~vice-president vice-chair~~ of such authority; and each order shall state the name of the payee and the nature of the claim for which the same is issued. The ~~treasurer~~ fiscal agent shall keep an account of all monies coming into ~~his~~ the fiscal agent's hands, showing the source of all receipts and the nature, purpose, and authority of all disbursements, and at least four times each year, at times and in a form to be determined by the city council, the authority shall file with the city clerk a financial statement of the authority, showing all receipts and disbursements, the nature of the same, the moneys on hand, and the purposes for which the same are applicable, the credits and assets of the authority, and its outstanding liabilities.

Subd. 2. The authority has the exclusive power to receive, control, and order the expenditure of any and all moneys and funds pertaining to the center operations.

Subd. 3. There are hereby created in the treasury of the city of Duluth a special entertainment and convention center fund, hereinafter referred to as the special fund, and an entertainment and convention center operating fund, hereinafter referred to as the operating fund. The moneys in the special fund shall be used solely for the acquisition and preparation of a site, and for the planning, construction, and equipping of the center. The special fund shall consist of:

(1) All moneys derived from the sale of bonds by the city to provide funds for the acquisition and preparation of a site, and for the planning, construction, and equipping of the center.

(2) All moneys appropriated or made available to the city of Duluth for the acquisition and preparation of a site, and for the planning, construction, and equipping of the center.

(3) The proceeds of all financial aid or assistance by the city or state governments for the acquisition and preparation of a site, and for the planning, construction, and equipping of the center.

(4) All moneys received from the United States of America to aid in the acquisition and preparation of a site, and for the planning, construction, and equipping of the center.

(5) All moneys received as gifts or contributions to the acquisition and preparation of a site, and for the planning, construction, and equipping of the center.

The operating fund shall be used for maintenance, marketing and promotion, operation, or betterment of the center, and for expenses of the authority. The operating fund shall consist of all moneys of the authority derived from any source other than moneys credited to the special fund as hereinabove provided.

Subd. 4. At least once in each year the city auditor shall make, or cause to be made, at the expense of the authority, a complete examination and audit of all books and accounts of the aforesaid authority; and for such purpose the city auditor shall have the authority and power to inspect and examine such books and accounts at any time during regular business hours and such intervals as ~~he may determine~~ determined by the city auditor. One copy of such yearly audit shall be filed by the city auditor with the city clerk as a public document.

Subd. 5. The authority shall annually submit to the governor and the legislature a report detailing its activities and finances for the previous year. The report shall also include a proposed budget for the succeeding two years, showing in reasonable detail estimated operating and nonoperating revenues from all sources, and estimated expenditures for operation, administration, ordinary repair, and debt service.

Subd. 6. The legislative auditor shall make an annual audit of the authority's books and accounts once each year or as often as the legislative auditor's funds and personnel permit.

Sec. 17. Laws 1963, chapter 305, section 5, as amended by Laws 1998, chapter 404, section 65, is amended to read:

Sec. 5.

Subdivision 1. Wherever the word "center" is used in this act, it means the entertainment and convention center complex ~~of~~ and its facilities in the city of Duluth, including the land upon which it stands and land appurtenant thereto.

Subd. 2. Notwithstanding anything to the contrary contained in any law, or in the charter of the city of Duluth, or in any ordinance thereof, passed by the city council, or approved by the electors of the city, there is hereby conferred upon such authority the power and duty to contract for and superintend the erection, construction, equipping and furnishing of the center, and to administer, promote, control, direct, manage, and operate the center as a municipal facility.

Sec. 18. Laws 1963, chapter 305, section 8, as amended by Laws 1998, chapter 404, section 67, is amended to read:

Sec. 8.

The authority shall have the power:

To adopt and alter all bylaws and rules and regulations which it shall from time to time deem best for the conduct of the business of the authority, and for the use of the facilities of the authority, and for the purposes of carrying out the objects of this act; but such bylaws, rules, and regulations shall not be in conflict with the terms of this act.

To appoint and remove a manager and such other employees as the authority may deem necessary, who shall not be within the civil service classifications of the city, and to prescribe the duties and fix the compensation and other benefits of such manager and employees, without regard to any provision contained in the charter or any ordinance of the city relating to civil service, or to any provision contained in Minnesota Statutes 1961, Sections 197.45 to 197.47, inclusive.

To procure and provide for a policy or policies of insurance for the defense and indemnification of the city of Duluth, its officers and employees, and directors, manager, and employees of the authority, against claims arising against them out of the performance of duty, whether such claims be groundless, or otherwise. Premiums for any policies of insurance required by this act shall be paid for out of the funds of the entertainment convention center authority.

To implement and carry out the provisions of section 7 of this act.

To utilize the services and facilities of the city so far as the same are offered by appropriate city officials and accepted by the authority, and to pay the city for all charges and costs for such services.

To operate and maintain and to lease from others all facilities necessary or convenient in connection with the center and to contract for the operation and maintenance of any parts thereof or for services to be performed; to lease the whole or parts thereof, and grant concessions, all on such terms and conditions as the authority may determine.

To authorize and direct the city ~~treasurer~~ fiscal agent to invest, in the manner provided by law, any funds held in reserve, or sinking funds, or any funds not required for immediate disbursement.

To fix, alter, charge, and collect rates, fees, and all other charges to be made for all services or facilities furnished by the authority for the use of the center facilities by any persons or public or private agencies utilizing such services or facilities.

To make and execute contracts, agreements, instruments, and other arrangements necessary or convenient to the exercise of its powers.

Sec. 19. Laws 1963, chapter 305, section 9, as amended by Laws 1998, chapter 404, section 68, is amended to read:

Sec. 9.

The manager of the center shall be responsible for the custody and control of all moneys received and collected from the daily operations of the center until such moneys are delivered to the city ~~treasurer~~ fiscal agent and ~~he~~ the fiscal agent shall have obtained a receipt therefor, or until such moneys are deposited in a bank account under control of the city ~~treasurer~~ fiscal agent.

The manager shall give bond in favor of the city of Duluth in a sum equal to twice the amount of money which will probably be in ~~his~~ the manager's hands at any time during any one year, that amount to be determined at least annually by the authority; such bond to be conditioned upon the faithful discharge of ~~his~~ the manager's official duties, and be approved as to form, correctness, and validity by the city attorney, and filed with the city auditor; such bond, however, shall not exceed \$300,000. Premiums for such bonds shall be paid out of funds of the authority.

Sec. 20. Laws 1963, chapter 305, section 10, as amended by Laws 1998, chapter 404, section 69, is amended to read:

Sec. 10.

The authority shall regulate the making of bids and the letting of contracts through procedure established by the authority, subject to the following conditions:

(a) In all cases of work to be done by contract or the purchase of property of any kind, or the rendering of any service to the authority other than professional services, competitive bids shall be secured before any purchase is made or any contract awarded where the amount involved exceeds the sum of ~~\$2,000~~ \$50,000.

(b) All bids shall be sealed when received, shall be opened in public at the hour stated in the notice; and all original bids, together with all documents pertaining to the award of the contract, shall be retained and made a part of the permanent file or record, and shall be open to public inspection.

(c) Purchases of ~~\$2,000~~ \$50,000 or less may, through procedure established by the authority, be delegated to the center manager. Contracts involving more than ~~\$2,000~~ \$50,000 shall be awarded only after authorization by the authority.

(d) The authority may reject, or through procedure established by the authority, authorize the center manager to reject, any and all bids.

(e) Contract shall be let to the lowest responsible bidder, and purchases shall be made from the responsible bidder who offers to furnish the article desired for the lowest sum.

(f) In determining the lowest responsible bidder, in addition to price, the following may be considered:

(1) The ability, capacity, and skill of the bidder to perform the contract or provide the service required.

(2) Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference.

(3) The character, integrity, reputation, judgment, experience and efficiency of the bidder.

(4) The quality of performance of previous contracts or services.

(5) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.

(6) The quality, availability, and adaptability of the supplies or contractual service to the particular use required.

(7) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.

(8) The number and scope of conditions attached to the bid.

(g) Specifications shall not be so prepared as to exclude all but one type or kind, but shall include competitive supplies and equipment; provided, however, that unique or noncompetitive articles which are determined by the authority to be sufficiently superior for the service intended by the authority, may be purchased without regard to other bids.

Sec. 21. Laws 2006, chapter 269, section 2, as amended by Laws 2008, chapter 331, section 11, Laws 2008, chapter 366, article 17, section 5, and Laws 2013, chapter 85, article 5, section 43, is amended to read:

Sec. 2. DEDICATION FEE.

Notwithstanding Minnesota Statutes, section 462.358, subdivision 2d, the Minneapolis Park and Recreation Board and the Minneapolis City Council may jointly require that a reasonable portion of land be dedicated to the public or impose a dedication fee in conjunction with the construction permit required for new housing units and new commercial and industrial development in the city, wherever located, for public parks, playgrounds, recreational facilities, wetlands, trails, or open space. The dedication of land or dedication fee must be imposed by an ordinance jointly enacted by the park board and the city council. The cash fee may be set at a flat fee rate per net new residential unit. The ordinance may exclude senior housing and affordable housing from paying the fee or the dedication of land. The provisions of Minnesota Statutes, section 462.358, subdivisions 2b, paragraph (b), and 2c, apply to the application and use of the dedication of land or the dedication fee.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 22. Laws 2013, chapter 85, article 5, section 44, is amended to read:

Sec. 44. CITY OF ST. PAUL DEDICATION FEE.

Notwithstanding Minnesota Statutes, section 462.358, subdivision 2d, the city of St. Paul may require that a reasonable portion of land be dedicated to the public or impose a dedication fee in conjunction with the construction permit required for new housing units and new commercial and industrial development in the city, wherever located, for public parks, playgrounds, recreational facilities, wetlands, trails, or open space. The dedication of land or dedication fee must be imposed by an ordinance enacted by the city council. The cash fee may be set at a flat fee rate per net new residential unit. The ordinance may exclude senior housing and affordable housing from paying the fee or the dedication of land. The provisions of Minnesota Statutes, section 462.358, subdivisions 2b, paragraph (b); and 2c, apply to the application and use of the dedication of land or the dedication fee.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 23. REPEALER.

Minnesota Statutes 2020, section 43A.17, subdivision 9, 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 operation of state government; appropriating money for the legislature, office of the governor and lieutenant governor, state auditor, attorney general, secretary of state, certain state agencies, boards, commissions, councils, offices, Minnesota State Lottery, Minnesota Humanities Center, and certain retirement accounts; cancelling certain 2021 appropriations; designating the state fire museum; changing provisions for the legislative auditor and Legislative Coordinating Commission; authorizing virtual payments; creating the capitol flag program; modifying provisions for Tribal governments, state budget and forecast, administrative operations, general

services revolving fund, grants, motor pool, historic properties and historical societies, taxpayer assistance grants, background checks, lawful gambling, election administration, campaign finance, Office of MN.IT Services, open meeting law, municipal planning, port authority, municipalities, metropolitan government, Duluth entertainment and convention center complex, bids and letting of contracts, and dedication fees; auditing state use of federal funds; creating the Office of Enterprise Sustainability; requiring racial equity impact assessments; requiring sensory accessibility accommodations; establishing the Legislative Commission on Cybersecurity; amending Minnesota Statutes 2020, sections 3.302, subdivision 3; 3.303, subdivision 1; 3.971, subdivision 2, by adding a subdivision; 3.972, subdivisions 2, 2a; 3.978, subdivision 2; 3.979, subdivision 3; 4A.01, subdivision 3; 4A.02; 5.30, subdivision 2; 5B.06; 8.31, subdivision 1; 10A.01, subdivisions 4, 7, 9, 11, 16a, 17c, 18, 20, 26, 27, 28, 35, by adding a subdivision; 10A.09, subdivisions 1, 2, 5, 6, by adding a subdivision; 10A.12, subdivisions 1, 2; 10A.121, subdivision 2; 10A.13, subdivision 1; 10A.17, subdivision 4; 10A.20, subdivisions 3, 6a, 13, by adding a subdivision; 10A.27, subdivision 13; 10A.275, subdivision 1; 10A.323; 13.607, by adding a subdivision; 13D.01, subdivisions 4, 5; 13D.015; 13D.02; 13D.021; 15.01; 16A.06, by adding a subdivision; 16A.103, subdivision 1; 16A.152, subdivision 2; 16B.24, subdivision 1; 16B.2975, by adding a subdivision; 16B.48, subdivision 2; 16B.54, subdivisions 1, 2; 16B.98, by adding a subdivision; 16E.01; 16E.016; 16E.02; 16E.03, subdivisions 1, 2, 3, 6; 16E.036; 16E.04, subdivision 3; 16E.0465, subdivision 2; 16E.05, subdivision 1; 16E.07, subdivision 12; 16E.21, subdivision 2; 43A.23, subdivision 1; 97A.057, subdivision 1; 135A.17, subdivision 2; 138.081, subdivisions 1, 2, 3; 138.31, by adding a subdivision; 138.34; 138.40; 138.665, subdivision 2; 138.666; 138.667; 138.763, subdivision 1; 201.014, by adding a subdivision; 201.071, subdivisions 1, 2, 3, 8; 201.091, subdivision 2; 201.12, subdivision 2; 201.121, subdivision 3; 201.13, subdivision 3; 201.161; 201.1611, subdivision 1; 201.162; 201.225, subdivision 2; 202A.11, subdivision 2; 202A.16, subdivision 1; 203B.01, subdivision 3, by adding a subdivision; 203B.02, by adding a subdivision; 203B.04, subdivision 1; 203B.081, subdivisions 1, 2, 3; 203B.11, subdivision 1; 203B.12, subdivision 7; 203B.121, subdivisions 2, 3, 4; 203B.16, subdivision 2; 203B.24, subdivision 1; 204B.06, subdivisions 1b, 4a; 204B.09, subdivisions 1, 3; 204B.13, by adding a subdivision; 204B.16, subdivision 1; 204B.19, subdivision 6; 204B.21, subdivision 2; 204B.36, subdivision 2; 204B.44; 204B.45, subdivisions 1, 2; 204B.46; 204C.05, subdivisions 1a, 1b; 204C.10; 204C.15, subdivision 1; 204C.21, subdivision 1; 204C.27; 204C.33, subdivision 3; 204C.35, subdivision 3, by adding a subdivision; 204C.36, subdivision 1; 204D.08, subdivision 4; 204D.13, subdivision 1; 204D.19, subdivision 2; 204D.195; 204D.22, subdivision 3; 204D.23, subdivision 2; 204D.27, subdivision 5; 204D.28, subdivisions 9, 10; 205.13, subdivision 5; 205A.10, subdivision 5; 205A.12, subdivision 5; 206.805, subdivision 1; 206.89, subdivisions 4, 5; 206.90, subdivision 6; 207A.12; 207A.13; 207A.14, subdivision 3; 209.021, subdivision 2; 211B.04, subdivisions 2, 3, by adding a subdivision; 211B.11, subdivision 1; 211B.20, subdivision 1; 211B.32, subdivision 1; 270B.13, by adding a subdivision; 270C.21; 349.151, subdivision 2; 367.03, subdivision 6; 367.25, subdivision 1; 383B.041; 412.02, subdivision 2a; 447.32, subdivision 4; 462.358, by adding a subdivision; 469.074, by adding a subdivision; 471.342, subdivisions 1, 4; 471.345, subdivision 20; 473.24; 473.606, subdivision 5; 609.165, subdivision 1; Laws 1963, chapter 305, sections 2, as amended; 3, as amended; 4, as amended; 5, as amended; 8, as amended; 9, as amended; 10, as amended; Laws 2006, chapter 269, section 2, as amended; Laws 2013, chapter 85, article 5, section 44; Laws 2019, First Special Session chapter 10, article 1, section 40; Laws 2020, chapter 77, section 3, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 1; 3; 10; 13D; 16A; 16B; 201; 206; 211B; 243; 299C; 471; repealing Minnesota Statutes 2020, sections 3.972, subdivisions 2c, 2d; 3.9741, subdivision 5; 4A.11; 10A.15, subdivision 6; 15.0395; 16A.90; 16E.0466, subdivision 1; 16E.05, subdivision 3; 16E.071; 16E.145; 43A.17, subdivision 9; 116O.03, subdivision 9; 116O.04, subdivision 3; 179.90; 179.91; 299D.03, subdivision 2a; 383B.042; 383B.043; 383B.044; 383B.045; 383B.046; 383B.047; 383B.048; 383B.049; 383B.05; 383B.051; 383B.052; 383B.053; 383B.054; 383B.055; 383B.056; 383B.057."

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1340, 1532 and 1761 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Davnie introduced:

H. F. No. 2471, A bill for an act relating to education; establishing a culturally responsive teaching, learning, integration, and inclusion program; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 124F; repealing Minnesota Statutes 2020, sections 124D.861; 124D.862; 124D.896; Minnesota Rules, parts 3535.0100; 3535.0110; 3535.0120; 3535.0130; 3535.0140; 3535.0150; 3535.0160; 3535.0170; 3535.0180.

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

Jordan introduced:

H. F. No. 2472, A bill for an act relating to state government; appropriating money for a velodrome.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Moller introduced:

H. F. No. 2473, A bill for an act relating to economic development; appropriating money for business relief payments to certain businesses; amending Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision 2.

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

Hamilton introduced:

H. F. No. 2474, A bill for an act relating to taxation; property; establishing a property tax credit for licensed in-home child care providers; appropriating money; amending Minnesota Statutes 2020, sections 273.1392; 273.1393; 275.065, subdivision 3; 276.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Hamilton introduced:

H. F. No. 2475, A bill for an act relating to taxation; property; modifying the state general tax; amending Minnesota Statutes 2020, section 275.025, subdivisions 1, 2.

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

Hamilton introduced:

H. F. No. 2476, A bill for an act relating to health care; recognizing tribal medical cannabis programs and coordinating tribal medical cannabis programs with the state medical cannabis program; amending Minnesota Statutes 2020, sections 152.22, by adding a subdivision; 152.25, by adding a subdivision; 152.27, subdivision 6; 152.32, subdivision 3.

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

Johnson introduced:

H. F. No. 2477, A bill for an act relating to state lands; authorizing conveyance of certain surplus state land in Isanti County.

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

Wazlawik introduced:

H. F. No. 2478, A bill for an act relating to education finance; increasing funding for math corps activities; appropriating money.

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

Becker-Finn introduced:

H. F. No. 2479, A bill for an act relating to capital investment; appropriating money for a new veteran's building.

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

Jordan introduced:

H. F. No. 2480, A bill for an act relating to capital investment; appropriating money for phase I of completing the Grand Rounds Missing Link trail connection in Minneapolis; authorizing the sale and issuance of state bonds.

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

Olson, B., introduced:

H. F. No. 2481, A bill for an act relating to taxation; sales and use; expanding the exemption on precious metal bullion to include coins and other forms of currency; amending Minnesota Statutes 2020, section 297A.67, subdivision 34.

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

Albright introduced:

H. F. No. 2482, A bill for an act relating to transit; requiring the Department of Transportation to administer the replacement service provider program; amending the allocation of motor vehicle sales tax revenue; amending Minnesota Statutes 2020, sections 16A.88, subdivisions 1a, 2; 297B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 2020, section 473.388, subdivisions 1, 2, 3, 4, 4a, 5, 7.

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

Albright introduced:

H. F. No. 2483, A bill for an act relating to horse racing; modifying provisions relating to advance deposit wagering; amending Minnesota Statutes 2020, sections 240.01, subdivision 18; 240.06, subdivision 7; 240.11; 240.131, subdivision 7; 240.24, subdivisions 2a, 3; 240.30, subdivision 5.

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

Backer introduced:

H. F. No. 2484, A bill for an act relating to capital investment; appropriating money for the Redpath impoundment flood hazard mitigation project; authorizing the sale and issuance of state bonds.

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

Pierson introduced:

H. F. No. 2485, A bill for an act relating to human services; providing for exemptions to the moratorium on development of housing support beds eligible for supplemental services rates; amending Minnesota Statutes 2020, sections 256I.04, subdivision 3; 256I.05, subdivision 1q, by adding a subdivision.

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

Backer introduced:

H. F. No. 2486, A bill for an act relating to capital investment; appropriating money for a new county courthouse in Traverse County; authorizing the sale and issuance of state bonds.

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

Backer introduced:

H. F. No. 2487, A bill for an act relating to capital investment; appropriating money to replace a drain line near the city of Beardsley; authorizing the sale and issuance of state bonds.

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

Backer introduced:

H. F. No. 2488, A bill for an act relating to capital investment; appropriating money for flood hazard mitigation in the Buffalo-Red River Watershed District; authorizing the sale and issuance of state bonds.

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

Backer introduced:

H. F. No. 2489, A bill for an act relating to capital investment; appropriating money for the Toelle Coulee flood hazard mitigation project in Browns Valley; authorizing the sale and issuance of state bonds.

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

Jordan introduced:

H. F. No. 2490, A bill for an act relating to taxation; providing a onetime individual income tax subtraction for certain unemployment compensation payments.

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

Drazkowski, Mortensen, Miller, Munson and Bahr introduced:

H. F. No. 2491, A bill for an act relating to employment; granting employees the right to work without being required to become a member or pay fees to a labor organization; creating criminal penalties and establishing jurisdiction; providing for other unfair labor practices; amending Minnesota Statutes 2020, sections 179.01, subdivision 3; 179.10, by adding subdivisions; 179A.06, subdivision 6, by adding subdivisions; 179A.60, subdivision 7; repealing Minnesota Statutes 2020, sections 179A.03, subdivision 9; 179A.06, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy.

Nelson, M., introduced:

H. F. No. 2492, A bill for an act relating to labor and industry; modifying elevator code requirements; amending Minnesota Statutes 2020, sections 326B.163, subdivisions 5, 11, 12, 13, 15, 16; 326B.164, subdivisions 2, 4.

The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy.

Bahner introduced:

H. F. No. 2493, A bill for an act relating to health; placing additional limits on enrollee prescription drug cost-sharing; amending Minnesota Statutes 2020, section 62W.12.

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

Lislegard introduced:

H. F. No. 2494, A bill for an act relating to capital investment; amending an appropriation for U.S. Highway 53 in Virginia for utilities relocation; amending Laws 2014, chapter 294, article 1, section 21, subdivision 23, as amended.

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

Theis introduced:

H. F. No. 2495, A bill for an act relating to economic development; appropriating money for business relief payments to certain businesses; amending Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision 2.

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

Theis introduced:

H. F. No. 2496, A bill for an act relating to construction trades; modifying civil penalties for unlicensed residential construction work; authorizing rulemaking; amending Minnesota Statutes 2020, section 326B.845, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy.

Novotny, Johnson, Grossell and Mueller introduced:

H. F. No. 2497, A bill for an act relating to public safety; requiring professional peace officer education instructors to have at least five years of experience as a licensed peace officer; amending Minnesota Statutes 2020, section 626.845, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

Boldon; Reyer; Feist; Hanson, J.; Thompson; Berg; Agbaje and Keeler introduced:

H. F. No. 2498, A bill for an act relating to public safety; prohibiting the possession of dangerous weapons in the Capitol complex; eliminating the permit to carry holder exception to the crime of carrying rifles and shotguns in public places; amending Minnesota Statutes 2020, sections 609.66, subdivision 1g; 624.7181, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

Boldon introduced:

H. F. No. 2499, A bill for an act relating to health; conducting an analysis of the benefits and costs of a universal health care system to assist the legislature in comparing it to the current health care financing system; requiring a report; appropriating money.

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

Davids introduced:

H. F. No. 2500, A bill for an act relating to taxation; providing for an expedited refund for certain overpayments of estimated tax; amending Minnesota Statutes 2020, section 289A.50, by adding a subdivision.

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

Hansen, R.; Vang; Reyer; Huot; Franke and Xiong, J., introduced:

H. F. No. 2501, A bill for an act relating to capital investment; appropriating money for relocation costs and improvements to real property for qualified meat processing businesses.

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

O'Neill, Daniels, Raleigh, Erickson, Baker, Grossell, Theis, Daudt, Haley, Demuth, Bennett, Robbins, Mueller, Petersburg, Lueck and Johnson introduced:

H. F. No. 2502, A bill for an act relating to public safety; modifying and clarifying criminal sexual conduct provisions; creating a new crime of sexual extortion; amending Minnesota Statutes 2020, sections 609.2325; 609.341, subdivisions 3, 7, 11, 12, 14, 15, by adding subdivisions; 609.342; 609.343; 609.344; 609.345; 609.3451; 609.3455; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 2020, sections 609.293, subdivisions 1, 5; 609.34; 609.36.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

Nash and Raleigh introduced:

H. F. No. 2503, A bill for an act relating to public safety; expanding the permissible methods of submitting an application for a permit to carry a handgun; amending Minnesota Statutes 2020, section 624.714, subdivision 3.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

Hansen, R.; Ecklund; Sundin; Lillie; Reyer; Berg; Franke; Jurgens and Richardson introduced:

H. F. No. 2504, A bill for an act relating to capital investment; appropriating money to the Minnesota Amateur Sports Commission for Mighty Ducks grants; authorizing the sale and issuance of state bonds.

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

Quam introduced:

H. F. No. 2505, A bill for an act relating to elections; prohibiting political subdivisions from establishing or enforcing ranked-choice voting; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Dettmer introduced:

H. F. No. 2506, A bill for an act relating to retirement; Minnesota State Retirement System; extending eligibility for a Rule of 90 unreduced early retirement benefit by one month to members hired after June 30, 1989, and before August 1, 1989, upon payment of the actuarial cost of the increased benefit; amending Minnesota Statutes 2020, section 352.116, subdivision 1.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Dettmer introduced:

H. F. No. 2507, A bill for an act relating to retirement; Minnesota State Retirement System; extending eligibility for a Rule of 90 unreduced early retirement benefit by one month to members hired after June 30, 1989, and before August 1, 1989; amending Minnesota Statutes 2020, sections 352.01, subdivision 25; 352.115, subdivision 3; 352.116, subdivisions 1, 1a.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Olson, B., introduced:

H. F. No. 2508, A bill for an act relating to capital investment; appropriating money for a justice center in Martin county; authorizing the sale and issuance of state bonds.

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

Lislegard introduced:

H. F. No. 2509, A bill for an act relating to taxation; modifying local government taxing authority; expanding the limitation on excise taxes and fees; amending Minnesota Statutes 2020, section 477A.016.

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

Sandstede introduced:

H. F. No. 2510, A bill for an act relating to public safety; appropriating money for violent crime enforcement, domestic abuse prevention, and substance abuse prevention; providing for reports; proposing coding for new law in Minnesota Statutes, chapters 145; 299A.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

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

S. F. Nos. 352 and 1020.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 352, A bill for an act relating to motor vehicles; establishing Minnesota agriculture special license plates; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168.

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

S. F. No. 1020, A bill for an act relating to commerce; modifying requirements for real estate appraiser continuing education; amending Minnesota Statutes 2020, sections 45.305, subdivision 1, by adding a subdivision; 45.306, by adding a subdivision; 45.33, subdivision 1, by adding a subdivision; 82B.021, by adding subdivisions; 82B.03, by adding a subdivision; 82B.195, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 82B; repealing Minnesota Statutes 2020, section 45.306, subdivision 1.

The bill was read for the first time.

Klevorn moved that S. F. No. 1020 and H. F. No. 1768, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

**REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION**

Winkler 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 Monday, April 12, 2021 and established a prefiling requirement for amendments offered to the following bills:

H. F. Nos. 164, 609 and 1913; and S. F. No. 659.

MOTIONS AND RESOLUTIONS

Hansen, R., moved that the name of Feist be added as an author on H. F. No. 30. The motion prevailed.

Carlson moved that the name of Bernardy be added as an author on H. F. No. 39. The motion prevailed.

Becker-Finn moved that the name of Bernardy be added as an author on H. F. No. 76. The motion prevailed.

Wazlawik moved that the name of Long be added as an author on H. F. No. 79. The motion prevailed.

Fischer moved that the name of Bernardy be added as an author on H. F. No. 157. The motion prevailed.

Dettmer moved that the name of Robbins be added as an author on H. F. No. 182. The motion prevailed.

Grossell moved that the name of Edelson be added as an author on H. F. No. 229. The motion prevailed.

Frazier moved that the name of Berg be added as an author on H. F. No. 306. The motion prevailed.

Howard moved that the name of Berg be added as an author on H. F. No. 315. The motion prevailed.

Heintzeman moved that the name of Dettmer be added as an author on H. F. No. 320. The motion prevailed.

Becker-Finn moved that the name of Berg be added as an author on H. F. No. 336. The motion prevailed.

Lee moved that the name of Agbaje be added as an author on H. F. No. 337. The motion prevailed.

Hansen, R., moved that the name of Freiberg be added as an author on H. F. No. 408. The motion prevailed.

Feist moved that the names of Youakim and Bernardy be added as authors on H. F. No. 478. The motion prevailed.

Frazier moved that the names of Jordan and Greenman be added as authors on H. F. No. 593. The motion prevailed.

Wazlawik moved that the name of Christensen be added as an author on H. F. No. 668. The motion prevailed.

Morrison moved that the name of Freiberg be added as an author on H. F. No. 670. The motion prevailed.

Lee moved that the name of Long be added as an author on H. F. No. 704. The motion prevailed.

Vang moved that the name of Freiberg be added as an author on H. F. No. 718. The motion prevailed.

Thompson moved that the name of Frazier be added as an author on H. F. No. 723. The motion prevailed.

Hansen, R., moved that the name of Freiberg be added as an author on H. F. No. 766. The motion prevailed.

Thompson moved that the name of Freiberg be added as an author on H. F. No. 784. The motion prevailed.

Hassan moved that the name of Demuth be added as an author on H. F. No. 874. The motion prevailed.

Becker-Finn moved that the name of Haley be added as an author on H. F. No. 903. The motion prevailed.

Pinto moved that the name of Frazier be added as an author on H. F. No. 946. The motion prevailed.

Richardson moved that the name of Christensen be added as an author on H. F. No. 951. The motion prevailed.

Richardson moved that the name of Frazier be added as an author on H. F. No. 952. The motion prevailed.

Schultz moved that the name of Lee be added as an author on H. F. No. 998. The motion prevailed.

Hollins moved that the name of Richardson be added as an author on H. F. No. 1092. The motion prevailed.

Hollins moved that the names of Frazier and Bernardy be added as authors on H. F. No. 1121. The motion prevailed.

Long moved that the name of Frazier be added as an author on H. F. No. 1152. The motion prevailed.

Boe moved that his name be stricken as an author on H. F. No. 1183. The motion prevailed.

Jordan moved that the name of Freiberg be added as an author on H. F. No. 1210. The motion prevailed.

Hausman moved that the name of Pelowski be added as an author on H. F. No. 1251. The motion prevailed.

Rasmusson moved that the name of Keeler be added as an author on H. F. No. 1305. The motion prevailed.

Noor moved that the name of Ecklund be added as an author on H. F. No. 1342. The motion prevailed.

Morrison moved that the name of Bahner be added as an author on H. F. No. 1412. The motion prevailed.

Acomb moved that the name of Xiong, J., be added as an author on H. F. No. 1427. The motion prevailed.

Howard moved that the name of Hamilton be added as an author on H. F. No. 1517. The motion prevailed.

Xiong, J., moved that the name of Becker-Finn be added as an author on H. F. No. 1554. The motion prevailed.

Rasmusson moved that the name of Hanson, J., be added as an author on H. F. No. 1559. The motion prevailed.

Hornstein moved that the name of Gomez be added as an author on H. F. No. 1691. The motion prevailed.

Sandstede moved that the name of Igo be added as an author on H. F. No. 1894. The motion prevailed.

Sandell moved that the names of Pierson and Backer be added as authors on H. F. No. 1906. The motion prevailed.

Gomez moved that the name of Davnie be added as an author on H. F. No. 1919. The motion prevailed.

Nelson, M., moved that the name of Ecklund be added as an author on H. F. No. 1952. The motion prevailed.

Agbaje moved that the name of Richardson be added as an author on H. F. No. 1997. The motion prevailed.

Xiong, T., moved that the name of Long be added as an author on H. F. No. 2019. The motion prevailed.

Marquart moved that the names of Jurgens and Haley be added as authors on H. F. No. 2143. The motion prevailed.

Dauids moved that the name of Boe be added as an author on H. F. No. 2275. The motion prevailed.

Berg moved that the name of Lillie be added as an author on H. F. No. 2284. The motion prevailed.

Sandstede moved that the name of Igo be added as an author on H. F. No. 2322. The motion prevailed.

Stephenson moved that the name of Haley be added as an author on H. F. No. 2366. The motion prevailed.

Moller moved that the name of Xiong, T., be added as an author on H. F. No. 2404. The motion prevailed.

Mariani moved that the name of Frazier be added as an author on H. F. No. 2433. The motion prevailed.

Dauids moved that the name of Poston be added as an author on H. F. No. 2436. The motion prevailed.

Dauids moved that the name of Poston be added as an author on H. F. No. 2437. The motion prevailed.

REQUEST PURSUANT TO RULE 4.31

Pursuant to rule 4.31, Green gave notice that he is requesting the return to the House of H. F. No. 101 from the Committee on Rules and Legislative Administration.

ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 3:30 p.m., Monday, April 12, 2021. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and Speaker pro tempore Carlson declared the House stands adjourned until 3:30 p.m., Monday, April 12, 2021.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

