

HOUSE RESEARCH

Bill Summary

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Overview

H.F. 953 is the State Government Finance omnibus bill.

- Article 1: State government appropriations
- Article 2: State government operations
- Article 3: Best-value contracting
- Article 4: Elections
- Article 5: Election clarifications

Article 1: State Government Appropriations

See the spreadsheet prepared by fiscal analyst Helen Roberts for a list of the appropriations in this article.

<http://www.house.leg.state.mn.us/fiscal/files/states07.pdf>

- 1 State Government Appropriations.**
- 2 Legislature.** Requires legislative offices, when possible, to implement information

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- technology systems that are compatible and work across the legislature. Requires reports on this issue.
- 3 **Governor and Lieutenant Governor.** Requires an annual report on personnel costs supported by appropriations to other agencies.
- 4 **State Auditor.**
- 5 **Attorney General.**
- 6 **Secretary of State.**
- 7 **Campaign Finance and Public Disclosure Board.**
- 8 **Investment Board.**
- 9 **Office of Enterprise Technology.**
- 10 **Administrative Hearings.**
- 11 **Administration.**
- 12 **Capitol Area Architectural and Planning Board.**
- 13 **Finance.**
- 14 **Employee Relations.**
- 15 **Revenue.**
- 16 **Military Affairs.**
- 17 **Gambling Control.**
- 18 **Racing Commission.**
- 19 **State Lottery.**
- 20 **Tort Claims.**
- 21 **Minnesota State Retirement System.**
- 22 **Minneapolis Employees Retirement Fund.**
- 23 **Teachers Retirement Association.**
- 24 **St. Paul Teachers Retirement Fund.**
- 25 **General Contingent Accounts.**
- 26 **Managerial Positions Reduced.** Requires the Governor to reduce the number of deputy commissioners, assistant commissioners and certain other unclassified positions so as to generate savings of \$775,000 in the upcoming biennium and \$7,600,000 in the biennium after that.

Article 2: State Government Operations

- 1 **Schedule for Consideration of Legislation.** Requires certain executive agency bills to be delivered to the Revisor of Statutes by November 1 before the regular session at which adoption will be urged. Encourages the Governor to submit a state of the state address in January of odd-numbered years and within the first 10 days of the legislative session in an even-numbered year. Requires the governor to submit bills necessary to implement the governor's operating budget recommendations within one week of the deadline for submitting the detailed operating budget to the legislature.
- 2 **Printed Materials.** Provides paper copies of legislative bills must be on 8 1/2 " x 11" paper, effective January 2009.
- 3 **Public Information.** Requires the Legislative Coordinating Commission to establish a joint office to perform specified public information functions, including legislative directories and legislative television.
- 4 **Meeting Times.** Requires the House and Senate to adopt rules that set one time as the regular hour of convening daily sessions in both house.

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- 5 **Joint Standing Committees.** Encourages the House and Senate to adopt rules establishing a system of joint standing committees, and to adopt rules providing that House and Senate committees with similar jurisdictions will meet at the same time.
- 6 **Pension Commission.** Increases the size of the Legislative Commission on Pensions and Retirement from 10 to 14 members.
- 7 **Minnesota Office on Ethnic Heritage and New Americans.** Creates an office on Ethnic Heritage and New Americans, consisting of 14 members, including four legislators, four public members appointed by legislative leaders, and six members appointed by the Governor. Assigns duties to the office. Provides a June 30, 2009, expiration date.
- 8 **Legislative Auditor.** Appropriates to the legislative auditor collections received for audits of metropolitan agencies.
- 9 **Poet Laureate.** Requires the Governor to appoint a poet laureate.
- 10 **Assumed Name Fee.** Requires the Secretary of State to charge a \$3 fee for a copy of a subsequent filing of an assumed name.
- 11 **Temporary Technology Surcharge.** Imposes technology surcharges on specified filing fees associated with the Secretary of State business functions. This section expires June 30, 2009.
- 12 **Definitions.** Defines "political subdivision" for purposes of Minnesota Statutes, chapter 6, governing the state auditor. Political subdivision is defined to mean a county, home rule charter or statutory city, town, school district, metropolitan or regional agency, public corporation, political subdivision or special district. Excludes from the definition agencies audited by the legislative auditor (e.g., Metropolitan Airports Commission, Metropolitan Sports Facilities Commission, and Metropolitan Mosquito Control Commission). Also, defines "special district."
- 13 **Accounting and Budgeting Systems.** Substitutes the term "political subdivision" for "local units of government." Strikes language relating to forms for order and warrant checks.
- 14 **Other Political Subdivisions.** Substitutes the term "political subdivision" for a list of local government units in a section dealing with examination of accounts. In this section and many other sections of the bill, the current law refers specifically only to some types of local government units. With the new definition of "political subdivision" the law will now specifically cover all of the entities included in the definition of political subdivision.
- 15 **Examination Pursuant to Petition.** Substitutes the term "political subdivision" for a reference to cities and counties in a law allowing voters to petition the state auditor to examine records. Maintains the current law provisions governing towns and school districts.
- 16 **Examination Pursuant to Resolution.** Substitutes the term "political subdivision" for a list of local government units in a section allowing a governing body to petition the state auditor to examine records.
- 17 **Examination of Grantees and Contractors.** Substitutes the term "political subdivision" for a reference to local government in a law dealing with examination of records of contractors and grantees.
- 18 **Cost of Examination.** Substitutes the term "political subdivision" for a list of local government units in the section dealing with costs of examinations.
- 19 **Claim for Cost of Examination.** Substitutes the term "political subdivision" for a list of local government units in the section dealing with disputes over costs of examinations.
- 20 **Certification of Amount Due.** Substitutes the term "political subdivision" for a list of local government units in the section dealing with certifying amounts due to the state.
- 21 **Cost of Postaudit.** Substitutes the term "political subdivision" for a list of local units in the

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law dealing with the cost of postaudits.

- 22 **Application.** Inserts a reference to the new definitions section in a law dealing with costs of examinations.
- 23 **Cooperation with Public Accountants.** Substitutes the term "political subdivision" for a list of local units in the law dealing with cooperation with public accountants.
- 24 **Minimum Procedures for Auditors.** Substitutes the term "political subdivision" for a list of local units in the law dealing with the minimum scope of audits.
- 25 **Practices of Public Accountants.** Substitutes the term "political subdivision" for a list of local units in the law dealing with audits that may be performed by public accountants.
- 26 **Public Accountants; Evidence of Misconduct.** Substitutes the term "political subdivision" for a list of local units in the law dealing with a public accountant finding evidence of misconduct.
- 27 **State Auditor May Assist Public Accountant.** Substitutes the term "political subdivision" for a list of local units in the law dealing with the state auditor assisting a public accountant.
- 28 **Access to Reports.** Substitutes the term "political subdivision" for a list of local units in the law dealing with shared access to records between the state auditor and public accountants.
- 29 **Scope of Auditor's Investigation.** Substitutes the term "political subdivision" for a list of local units in the law dealing with the scope of a public accountant's investigation
- 30 **Review of Data; Data Protection.** States that if the State Auditor provides a person with data relating to an audit for review and verification, the person must protect the data from unlawful disclosure, or be subject to the penalties in the current data practices act.
- 31 **Special Districts; Information to be Filed with State Auditor.**

Subd. 1. Governance documents must be filed. Requires a special district to file with the state auditor, within 60 days of adoption, any document relating to governance of the district.

Subd. 2. Audit requirements. Requires special districts with annual revenues of more than the threshold amount (the same as certain cities, which was \$150,000 in 2004, adjusted for inflation) to provide for an annual audit by the state auditor or a public accountant. Requires a special district with less revenue to have an audit at least once every five years. Requires a small special district to prepare a financial statement in years in which the district is not audited. This subdivision does not apply to a special district subject to auditing and reporting requirements under other law.

Subd. 3. Presentation to governing board; state auditor. Requires financial statements and audits to be presented to the governing board and filed with the state auditor within 180 days after the end of the district's fiscal year.

- 32 **Expenditures for Lobbyists.** Substitutes the term "political subdivision" for a list of local units in the law requiring reporting of expenditures for lobbyists.
- 33 **Assistance to Veterans.** Authorizes the Attorney General to assist veterans and their families as to services available from public and private agencies.
- 34 **S tate Board of Investment.** Requires the SBI to report annually on the activities and work product of investment consultants retained by the board. The report must include fees paid, projects on which the consultant was involved, and examples of the written work products.
- 35 **Legislative Commission on Terrorism and Disaster Preparedness.**

Subd. 1. Duties. Provides that the commission is to advise the legislature on specified

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issues, oversee the disaster preparation activities of the Department of Health, the Department of Public Safety, and other state agency, office, commission, or board that is within the commission's purview and provide recommendations, and make policy and financial recommendations to improve the state's private and public capacity to handle threats.

Subd. 2. Membership. Provides that commission membership shall be comprised of representatives from the legislature, the commissioner of health, the commissioner of public safety, the attorney general, certain relevant experts, and citizens. Members are to be selected as specified in the bill. Member terms expire at the close of each regular session of the legislature (but members continue to serve until successors are appointed), and meetings must be held on a regular basis.

Subd. 3. Compensation. Provides that members are compensated using the standard procedures established in law for compensation of legislative members, and non-legislative administrative board members.

Subd. 4. Staff. Permits the commission to appoint additional legal or other staff necessary to the functioning of the commission.

Subd. 5. Data. Permits the commission to request data from any state officer, agency, or political subdivision, and requires prompt response to the request. Requests for data are still subject to the applicable requirements of the data practices act, and the "official records" requirements in section 15.17.

Subd. 6. Report. Requires the commission to submit policy and appropriation recommendations to the legislature, the commissioner of health, and the commissioner of public safety by January 15 of each year.

Subd. 7. Expiration. Provides that the commission expires June 30, 2011.

Effective Date. This section is effective July 1, 2007.

36 Grants; Data. Adds a new section to the Minnesota Government Data Practices Act to deal with the status of data relating to grants. Key points include:

- Data created by a granting agency to create a request for proposal is nonpublic until the request for proposal is published.
- Responses submitted by a grantee are not public until opened. Once opened, the name and address of the grantee and the amount requested is public. After the government agency's evaluation process is complete, all other data in the response is public, except for trade secret data. If all responses are rejected, data that is not made public at the initial opening remains private until the evaluation process is completed or the grant is abandoned.
- Data that a government agency maintains as part of the evaluation process are not public until completion of the evaluation process.

37 Legislative and Budget Proposal Data. Provides that executive branch legislative and budget proposals, including preliminary drafts, become public data after the budget is presented to the legislature. (Current law makes much of this data public after presentation

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to the legislature, but preliminary drafts do not become public.)

- 38** **Parking Spaces.** Requires parking spaces on Aurora Avenue in front of the Capitol to be reserved for the public.
- 39** **CAAPB Revenues.** Under current law, when a public body submits a proposal for review by the Capitol Area Architectural and Planning Board, the body must provide enough money for the board's review. This section appropriates the money received by the board under this subdivision to the board.
- 40** **Economic Information.** Provides that certain information must be submitted to the chair of the Senate Finance Committee, instead of the State Government Finance Committee.
- 41** **Base Budget Detail.** Requires that within one week of releasing a budget forecast in November of an even-numbered year and February of an odd-numbered year, the commissioner of finance must provide the legislature information that illustrates how the base level budget for the next biennium is projected to be spent.
- 42** **Cash Flow Forecast.** Requires that within two weeks of a November budget forecast, the commissioner of finance must deliver to the governor and the legislature a forecast of cash flow for the general fund.
- 43** **Budget Bills.** Requires that bills necessary to implement the governor's budget recommendations be submitted to the legislature within two weeks after the recommendations are submitted.
- 44** **Continuing Appropriations.** Provides that if a major appropriation bill to fund a state agency for the next biennium has not been passed in the same form by the House and Senate and been presented to the Governor before July 1 of an odd-numbered year, existing appropriations remain in effect at the base level until July 31 of that year.
- 45** **Billing Procedures.** Current law allows the commissioner of finance to bill state agencies for statewide system services provided to the agencies. This section strikes a requirement that billing be based only on usage of services relating to statewide systems provided by the Intertechnologies division.
- 46** **Definitions.** Defines terms used in the following section, dealing with outdoor lighting.
- 47** **Standards for State Funded Outdoor Lighting Fixtures.** (a) Sets conditions on installation and replacement of outdoor lighting fixtures using state funds. The functions may be conducted only if:
- new or replacement fixtures are cutoff luminaries, provided that the rated output of the fixture is above 1,800 lumens;
 - nationally recognized standards for minimum required illuminance for specific purposes is considered;
 - for highway lighting, the Department of Transportation determines that the lighting task cannot be accomplished using reflective road markers, lines, warning signs, etc.;
 - full consideration has been given to energy conservation, glare reduction,

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minimization of light pollution and preserving the natural light environment.

(b) Paragraph (a) does not apply under the following conditions:

- a federal law, rule or regulation preempts state law;
- the fixture is used temporarily for nighttime work or by emergency personnel for emergency procedures;
- special events requiring additional illumination, provided the fixtures are shielded from direct view and upward lighting and light pollution is minimized;
- the fixture is used solely to highlight the aesthetic aspects of a single object or distinctive building; or
- a compelling safety interest exists that cannot be addressed by another method.

(c) Paragraph (a) does not apply to operation and maintenance of lights or lighting systems purchased or installed, or for which design work is completed, before August 1, 2007.

(d) This section does not apply if a state agency or local unit of government makes specified determinations.

Subd. 2. Model ordinance. Directs the commissioner of administration, in consultation with others, to develop a model ordinance for use by local governments.

48 Percent for Arts. Strikes the \$100,000 per building limit that applies under the "percent for art" law applicable to buildings paid for by the state.

49 Grant Management. This section establishes procedures governing management of grants made by state agencies.

Subd. 1. Grant agreement. Defines a "grant agreement." Provides that this section does not apply to capital project grants to political subdivisions.

Subd. 2. Grant governance. Requires the commissioner of administration to provide direction and leadership for executive agency grants management, and requires executive agencies to do what the commissioner requires.

Subd. 3. Powers. Authorizes the commissioner of administration to review grants management policies and practices, recommend alternative strategies, collect information and issue reports, and participate in conferences and other activities.

Subd. 4. Duties. Requires the commissioner of administration to create general grants management policies and procedures for executive agencies. Authorizes the commissioner to grant exceptions. Provides that executive agencies retain management of individual grants programs.

Requires the commissioner to serve as a resource to executive agencies and as a central contact point for statewide grants management policies and procedures.

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Requires the commissioner to ensure grants management needs are considered in statewide administrative systems, and to approve professional and technical service contracts and other information technology spending related to executive agency grants management activities.

Requires the commissioner to provide a single listing of all available executive agency competitive grant opportunities and resulting grant recipients.

Provides that the commissioner may determine it is cost-effective for agencies to develop and use shared grant management technology systems.

Provides that duties in this subdivision with respect to grants also apply to easements granted by executive agencies.

50 **Grant Agreements.**

Subd. 1. Limit. Requires state grant recipients to agree to minimize administrative costs.

Subd. 2. Ethical practices and conflicts of interest. Provides that an executive employee involved in the grants process is subject to the state employee code of ethics in current law.

Subd. 3. Conflict of interest. Requires the commissioner to develop policies regarding ethics and conflicts of interests for employees, committee members or others involved in recommendation, award, and administration of grants. Specifies certain topics to be covered.

Subd. 4. Reporting. Encourages a state employee who discovers evidence of violation of law or rules governing grants to report to the employee's supervisor, the commissioner or the commissioner's designee, or the legislative auditor. Requires the legislative auditor to report to the Legislative Audit Commission if there are multiple complaints about the same agency. Provides protection under the state whistle-blower law for employees making a good faith report under this section.

Subd. 5. Creation and validity of grant agreements. States conditions for validity of grant agreements. Provides an agreement (including amendments) must not exceed five years without specific written approval of the commissioner. Requires agreements to be kept on file for at least six years. Requires agreements to comply with the commissioner's policies. Authorizes the Attorney General to periodically review and evaluate a sample of agreements.

Subd. 6. Grant administration. Requires a granting agency to diligently administer and monitor grants.

Subd. 7. Grants payments. Provides that payments to a grantee may not be issued until the grant agreement is fully executed.

Subd. 8. Audit. Requires grant agreements to include audit clauses, authorizing examination of records for at least six years from the end of the grant agreement. For local government grants, specifies when the granting agency and when the grantee pay for State Auditor costs.

Subd. 9. Authority of Attorney General. Authorizes the Attorney General to take

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action (notwithstanding the wishes of the granting agency) to void agency obligations to pay a grant (or to recover payments made) if activities under the grant are such that payment would involve unjust enrichment.

Subd. 10. Grants with Indian tribes and bands. Forbids an agency from requiring an Indian tribe or band to deny its sovereignty as a requirement or condition of a grant.

- 51** **Best and Final Offer.** Adds a new definition of "best and final offer" to state purchasing laws, as an optional step in the purchasing process in which responders are requested to improve their response.
- 52** **Best Value.** Amends the current definition of "best value" in state purchasing laws, to authorize the commissioner of administration to use strategic sourcing tools in achieving best value.
- 53** **Enterprise Procurement.** Adds a new definition of "enterprise procurement" to mean the process the commissioner of administration uses to leverage economies of scale to achieve costs savings and other favorable terms in state contracts.
- 54** **RFP.** Amends the definition of "request for proposal" to refer to negotiations to achieve best value for the state.
- 55** **Response.** Amends the definition of "response" to include "best and final offers" or "negotiated offers."
- 56** **Strategic Sourcing.** Defines "strategic sourcing" to mean methods used to analyze and reduce spending on goods and services.
- 57** **Rulemaking Authority.** Amends the commissioner of administration's existing rulemaking authority to refer to the "procurement process" instead of only referring to specified topics relating to the process.
- 58** **Contracting Authority.** Authorizes the commissioner to require that executive agency staff participate in development of enterprise procurement.
- 59** **Policies and Procedures.** Requires the commissioner to develop and implement policies, procedures, and standards ensuring optimal use of strategic sourcing.
- 60** **Delegation of Duties.** Authorizes the commissioner of administration to require another agency to accept delegated responsibility to procure goods or services intended for the exclusive use of that agency.
- 61** **Web Site with Searchable Database.** Requires the Commissioner of Administration to maintain a Web site with a searchable database providing the public with information on state contracts, including grants. Requires the database to include the following information for each contract over \$25,000:
- name and address of the entity receiving the contract and the name of the agency entering into the contract;
 - whether the contract is for goods, professional services, other services, or is a grant;
 - a statement of the purpose of the contract or grant;
 - the amount of the contract or grant; and

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- the dollar value of state contracts and state grants the entity has received in each of the last 10 fiscal years (starting with fiscal year 2008).

Requires information to be on the database within 30 days of entering into a contract.

This section is effective January 1, 2008.

62 Agency Cooperation. Requires executive agencies to cooperate with the commissioner of administration in development and implementation of strategic sourcing techniques.

63 Creation and Validity of Contracts. Allows the commissioners of administration and finance to approve policies under which routine, low-dollar procurements can occur before the state accounting system shows an encumbrance for the amount of contract liability.

64 Professional/Technical Contracts. Provides that notwithstanding a law authorizing heads of state agencies to enter into contracts for professional or technical services, the commissioner of administration must, to the fullest extent practicable, conduct enterprise procurements that result in professional or technical contracts for use by multiple agencies. Provides that the commissioner may mandate use of an enterprise procurement contract. Requires agencies to cooperate in development and use of these contracts.

65 Duties of Contracting Agencies. Requires an agency seeking approval of a contract for professional or technical services to explain why the procurement is being pursued unilaterally, and not as an enterprise procurement. Provides that an agency may not contract out previously eliminated jobs without first considering the former employees who are on the seniority unit layoff list who meet minimum qualifications determined by the agency.

66 Reports. Provides that an agency report on a professional/technical contract over \$50,000 (required by current law) include a written performance evaluation of the work done under the contract.

67 Limitation on Actions. Provides that a current or former professional/technical contractor may not maintain an action against an employee or agency who discloses information about the contractor as part of the statutorily-required report on the contract, unless the contractor demonstrates by clear and convincing evidence that: (1) the information was false and defamatory; (2) the employee or agency knew or should have known the information was false and acted with malicious intent to injure the current or former contractor; and (3) the information was acted upon in a manner that caused harm to the current or former contractor.

68 Call Center. Provides that a state agency must not enter into a contract for a call-center or similar purposes without determining if state employees can provide the services.

69 Reverse Auction. Specifies that reverse auctions may be used for services (not just for computer services), but not to procure engineering design services or architectural services or for building and construction contracts.

70 Designation of Targeted Groups. Broadens the designation of targeted group businesses for purposes of providing a bid-price preference in state contracting, to include small businesses majority-owned and operated by military veterans who served in federal active service in support of Operation Enduring Freedom or Operation Iraqi Freedom.

71 Best and Final Offer. Provides that a "best and final offer" solicitation process may not be used for state building and construction contracts.

72 Contracts; Licensing Fees. Authorizes the state chief information officer to enter into

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contracts for information system development in which the vendor finances all or part of the cost of system development. Authorizes the CIO to assess and accept a fee for business and occupational licenses to develop and maintain a licensing system.

- 73 **Legislative Auditor.** Appropriates to the legislative auditor collections received for audits of the state fair.
- 74 **Domestic Partner.** Defines "domestic partner" for purposes of the state employee health insurance program, in connection with the following section of this bill.
- 75 **Eligibility for State Insurance Benefits.** Provides that if a collective bargaining agreement provides state paid health insurance for spouses of state employees, the same insurance must be available to domestic partners of state employees.
- 76 **Voluntary Unpaid Leave of Absence.** Law covering the current biennium authorizes a state appointing authority to allow employees to take up to 1,040 hours of unpaid leaves of absence in a biennium, during which the employee continues to accrue vacation and sick leave, insurance, pension credit, and other seniority. This section makes this authority permanent. (The language in the bill may be somewhat confusing, because it refers to the biennium from 2003 to 2005. A similar provision is in effect for the 2005-2007 biennium, but this was enacted in a 2005 session law that was not codified into Minnesota Statutes, and thus does not show in this bill. (Laws 2005, chapter 156, article 3, section 4))
- 77 **Certificates of Pay Equity Compliance.**

Subd. 1. Scope of application. Provides that a state agency may not accept a bid or proposal for a contract in excess of \$100,000 from a business with more than 40 full-time employees in the state unless the Commissioner of Employee Relations has approved the business' plan to establish equitable compensation relationships for its employees and has issued the business a certificate of compliance.

Subd. 2. Compliance; good faith effort. Requires the commissioner to approve a plan and issue a certificate of compliance if the business demonstrates it is in compliance with equitable compensation relationship standards or is making a good faith effort to achieve compliance. The standards for determining equitable compensation relationships are the same as those in the local government pay equity law and rules adopted to implement that law.

Provides that a business is making a good faith effort to achieve compliance the commissioner has approved a plan and a date for achieving compliance.

Subd. 3. Filing fee. Provides a \$75 fee for each certificate of compliance issue. Appropriates fee proceeds to the commissioner to administer this section.

Subd. 4. Revocation of certificate. Provides that a certificate of compliance can be suspended or revoked if the holder is not making a good faith effort to implement its plan.

Subd. 5. Revocation of contract. Authorizes a state agency to terminate a contract because a certificate of compliance under this section is revoked. Provides for voiding a contract issues to a person who does not have a required certificate.

Subd. 6. Technical assistance. Requires the commissioner to provide technical assistance to a contractor whose certificate has been suspended.

Subd. 7. Access to data. Provides status of data under this section for purposes of the

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data practices act.

78 Annual Audit. In law governing watershed districts, strikes language that appears obsolete because it references audits by public accountants who are not certified public accountants.

79 Mississippi River Parkway Commission. Extends the expiration date for the commission from June 30, 2007, to June 30, 2012.

80 Sick Leave. Expands the use of employer provided sick leave benefits by authorizing an employee to use sick leave benefits when a spouse, sibling, parent, grandparent, stepparent, or domestic partner is ill or injured, requiring the employee to care for the related person. "Domestic partner" is defined as a person who has entered into a committed relationship with another adult, where the partners are responsible for each other's basic common welfare; share a common residence and intend to do so indefinitely; are not related by blood or adoption to the extent that would prohibit marriage in this state; and are legally competent and qualified to enter into a contract. Domestic partners may share a common residence even if they do not have a legal right to possess the residence or one or both partners possess additional real property. If one domestic partner temporarily leaves the common residence with the intention to return, the domestic partners continue to share a common residence for the purposes of this section.

The use of sick leave benefits under current law is authorized only for the care of an injured or sick child.

Sick leave as defined in current law is limited to the time available to an employee to be absent from work due to illness or injury and excludes short- or long-term disability or other salary continuation benefits. This bill applies to employers with 21 or more employees at a single site. To be eligible under this section, an employee must be employed by the employer for 12 consecutive months for the equivalent of half time or more.

81 Honor Guards - National Guard. Authorizes the Adjutant General to activate members of the National Guard into state active service at their normal rate of pay for the funeral of any Guard member who dies while serving actively in the military or after having served honorably for six or more years in the Guard.

82 National Guard Fund. This bill authorizes the National Guard to establish and operate a special fund dedicated to enhancing the morale, welfare, and recreational facilities and activities at Camp Ripley and at other locations owned by the Guard. Except as authorized in the bill, no general fund money or other state funds would be used for this purpose. The fund would be named the *Minnesota National Guard Nonappropriated Fund Instrumentality*, or *MNG NAFLI*. The fund is authorized to accept public and private donations, federal funds, and certain recycling revenues approved by the federal government. The bill directs that user fees and rental charges for National Guard facilities must also be deposited into this fund.

83 Honor Guards - Veterans. Authorizes the Commissioner of Veterans Affairs to pay up to \$50 to a local unit of a Congressionally chartered veterans service organization (VSO) for each time that the unit provides an honor guard detail at the funeral of a deceased veteran. Provides that if a local unit provides a student to play "Taps," the local unit may pay some or all of the \$50 to the student.

84 Penalty; Corporate Registration. Requires the Secretary of State to issue a certificate of administrative dissolution for a corporation that has not filed a registration during any

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calendar year (instead of for two consecutive years). Strikes provisions relating to notice to dissolved corporations.

- 85 **Dissolution.** Strikes require that the Secretary of State inform the Attorney General and Commissioner of Revenue of methods by which names of dissolved cooperatives under chapter 308A may be determined.
- 86 **Dissolution.** Strikes language requiring that the Secretary of State inform the Attorney General and Commissioner of Revenue of methods by which names of dissolved cooperatives under chapter 308B may be determined.
- 87 **Filing.** Removes requirement that a cooperative under chapter 308B file its annual registration form with the original articles.
- 88 **Notice of Intent to Dissolve.** Requires that before a cooperative under chapter 308B begins dissolution, it must file notice of intent to dissolve with the Secretary of State.
- 89 **Annual Registration; Volunteer Firefighter Relief Association.** Strikes language from nonprofit corporation registration law that provides separate treatment for volunteer firefighter relief associations.
- 90 **Limited Partnerships.** Provides that no fee is due for a limited partnership filing a required annual report. Provides that fee for filing a name reservation for a foreign limited partnership is \$35.
- 91 **Name Change Filed in Home State.** Requires a foreign limited partnership to notify the Secretary of State of changes to partnership name filed in another state.
- 92 **UCC Account.** Expands purposes for which the Secretary of State may spend money is the Uniform Commercial Code account, to include online or remote lien and business entity filing, retrieval and payment method services.
- 93 **UCC Filing.** Authorizes transmission of UCC records using XML format upon determination of the Secretary of State that the central filing system is capable of receiving and processing these records.
- 94 **UCC Fees.** Requires that \$5 of certain UCC filing fees be deposited in the UCC account.
- 95 **Lottery Offices.** Provides that the State Lottery may not move its Mountain Iron operations to a location outside of the area of Mountain Iron, Eveleth, Gilbert, and Virginia, and may not reduce the complement of staff employed at this office.
- 96 **Investment Reports.** Provides that pension plan investment reports (required by current law) must be filed electronically with the State Auditor, unless the Auditor determines this is not feasible. Requires the Auditor to attempt to provide Website access to these reports.
- 97 **Acknowledgement.** Adds limited liability companies to list of entities that may sign in a representative capacity.
- 98 **Notarial Acts.** Provides that certain signatures must be made in the presence of a notary.
- 99 **Acknowledgement.** Adds limited liability companies to list of entities in the law governing the effect of acknowledgement in a representative capacity.
- 100 **Verifications.** Requires notary to be present when signatures are made.
- 101 **Witnessing or Attesting Signatures.** Requires notary to be present when signature is made.
- 102 **Dependents.** Current law governing municipal health insurance provides that "dependents" means a spouse, unmarried students under age 18 and dependent students under age 25. This section adds to the definition "others as defined by governmental units at their discretion."
- 103 **Trust for Postemployment Benefits.**

Subdivision 1. Authorization; establishment. Allows a public entity with actuarial

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liability for postemployment benefits to establish a trust to pay those benefits. Defines "postemployment benefits" to mean benefits that give rise to a liability under the Governmental Accounting Standards Board Statement 45 ("GASB 45"). Defines "trust" by reference to federal tax code.

Subd. 2. Purpose of trust. Permits the trust to be revocable or irrevocable.

Subd. 3. Trust administrator. Permits the trust administrator to be the public employees retirement association (PERA), a bank, or an insurance company.

Subd. 4. Account maintenance. Requires the trust administrator to set up a separate account for each political subdivision or public entity. Permits the trust administrator to charge maintenance fees. Requires reports.

Subd. 5. Investment. Specifies allowable investments by each of the authorized trust administrators.

Subd. 6. Limit on deposit. Limits deposits in the trust to the actuarially determined liabilities.

Subd. 7. Withdrawal of funds and termination of account. Specifies terms for withdrawal of funds and termination of an account for (a) revocable trusts, and (b) irrevocable trusts. Permits the public entity to withdraw funds from a revocable trust only to pay benefits unless changes in law or actuarially determined liability occur that result in more money in the trust than is needed. Permits the public entity to withdraw funds from an irrevocable trust only to pay postemployment benefits or when the political subdivision's actuarial liability for the benefits is satisfied or defeased.

Subd. 8. Status of irrevocable trust. Provides that the trust fund money is not subject to the public entity's creditor claims.

- 104 Legislative Commission on Metropolitan Government.** Strikes a cross-reference to this commission, which is repealed in the repealer section of this article.
- 105 LGA Deduction.** Requires the State Auditor to bill the commissioner of revenue \$614,000 (instead of \$217,000) annually, and provides that this billing covers costs of required JOBZ auditing (as well as the billing required in current law for government information functions).
- 106 Representation.** Provides that the state may be represented in conciliation court by an employee of the Risk Management Division of the Department of Administration.
- 107 Real Estate Documents.** Provides that the Electronic Real Estate Recording Task Force may amend standards set by a prior task force, and may set new or additional standards and implement pilot projects. Provides that documents recorded in conformity with those standards and projects meet requirements of this section.
- 108 Genetic Information Work Group.** Provides that a report based on work of a genetic information work group is due January 15, 2009, instead of January 15, 2008.
- 109 Starbase.** Converts a 2006 bond authorization for the Starbase Minnesota program to a general fund appropriation (of \$150,000).
- 110 Starbase.** Reduces a 2006 bonding authorization, in conjunction with the change in the previous section.
- 111 Ford Building.** Provides that the Ford Building at 117 University Avenue in St. Paul may not be demolished during the biennium ending June 30, 2009.

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- 112 Disparity Study Task Force.** Creates a task force to work with the Commissioner of Administration on the targeted group disparity study funded by this bill.
- 113 Validation.** Validates certain local government trust funds created before June 6, 2006, for paying post-employment benefits. Requires funds in a validated trust or account to be invested as provided in this bill and for the trust or account to be brought into compliance with this bill by January 1, 2008.
- 114 Report; Accounting Principles.** Requires the commissioner of finance to report by October 15, 2007, listing areas where state budgeting principles differ from generally accepted accounting principles and the reasons for those differences.
- 115 Building Replacement Funds.** Requires the department of administration to collect rent revenues for the Elmer L. Anderson and Orville L. Freeman buildings to be set aside in a special revenue fund for deferred maintenance and other extraordinary building repairs.
- 116 Compensation for Government Shutdown.** Requires full compensation for state employees (who are still state employees) who were prevented from working due to the partial government shutdown in July 2005.
- 117 Electronic Documents Study and Report.** Requires the state's chief information officer to study how electronic documents and related mechanisms and processes can be created, maintained, exchanged, and preserved by the state in a manner that encourages appropriate government control, access, choice, and interoperability. Lists issues the study must consider, and people the chief information officer must solicit comments from in doing the study. Requires the chief information officer to report to specified legislative committee chairs by January 15, 2008.
- 118 Labor Agreements and Compensation Plans.**
- Subd. 1. Minnesota Law Enforcement Association.** Ratifies the labor agreement between the state and the Minnesota Law Enforcement Association.
 - Subd. 2. Minnesota Nurses Association.** Ratifies the labor agreement between the state and the Minnesota Nurses Association.
 - Subd. 3. Office of Higher Education.** Ratifies amendments to the compensation plan for unrepresented employees of the Office of Higher Education.
 - Subd. 4. Gambling Control Board director.** Ratifies a salary increase for the director of the Gambling Control Board.
 - Subd. 5. PERA.** Ratifies a salary increase for the executive director of the Public Employees Retirement Association.
 - Subd. 6. MSRS.** Ratifies a salary increase for the executive director of the Minnesota State Retirement System.
 - Subd. 7. TRA.** Ratifies a salary increase for the executive director of the Teachers Retirement Association.
- 119 State Employee Electronic Health Records Pilot Project.** Requires a pilot project to provide consumer-owned electronic personal health records to participants in the state employee group insurance program.
- 120 Value-added Contract Authority.** Authorizes the director of the Office of Enterprise Technology, with approval of the commissioner of finance, to enter into contracts for a state agency electronic licensing system and for an integrated tax system. Provides that for these

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purposes, the director may enter into contract under which the vendor pays some of all of the costs. Requires the commissioner of finance to approve a plan submitted by the director before a contract is entered into under this section. If the contracts will involve performance-based payments, the plan must describe criteria for making the payments. If the plan involves making contract payments for savings, the plan must describe what savings are anticipated and how the savings will be made available to make payments. Requires reporting of this plan to legislative committee chairs. Requires annual reporting to legislative committee chairs on implementation of these contracts.

- 121 TRA Member Gratuity Payment.** Appropriates \$4.1 million for payments to certain persons who were teachers during or before the 1968-1969 school year.
- 122 Pay Equity Transitional Provision.** Provides a transitional provision for state contractors who are making a good faith effort to achieve compliance with the new pay equity provisions of this bill.
- 123 Sustainable Growth Working Group.** Creates a sustainable growth working group to identify strategies, recommendations and a process for implementing state-level coordination of state and local policies, programs, and regulations in the areas of housing, transportation, natural resource preservation, capital development, economic development, sustainability, and preservation of the environment. The group consists of 4 legislators, 8 commissioners or designees, the chair of the Metropolitan Council or a designee, and up to 12 public members. Requires the commissioner of administration to provide meeting space and administrative support. Requires the group to report to the legislature and the governor by February 1, 2008. Provides that the group expires June 30, 2008.
- 124 Assistance.** Requires House and Senate staff to assist the legislative coordinating commission with new duties assigned to the commission by this act.
- 125 Training Services.** Requires that during the biennium ending June 30, 2009, state executive agencies must consider using services provided by Government Training Services before contracting with outside vendors for similar services.
- 126 Repealer.** Repeals the following sections of Minnesota Statutes:
- **3.884:** Minnesota/Ontario Commission;
 - **3.8841:** Legislative Commission on Metropolitan Government
 - **Section 6.56, subd. 1:** Definition of "political subdivision" in state auditor law.
 - **Section 16A.102:** Price of government resolution.
 - **Section 16C.055, subdivision 1:** Requirement for the legislative auditor to report by January 15, 2002 on state barter arrangements.
 - **Section 16C.08, subdivision 4a:** Requirement for a performance evaluation of work done on professional technical contracts.
 - **69 . 051, subd. 1c:** Requirement for state auditor to send the secretary of state a list of names of volunteer fire relief associations meeting certain financial

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standards.

- **Section 359.085, subd. 8:** Notarial office may not notarize signature of signer not in presence of the notary.
- **Section 645.44, subdivision 19:** "Fee"/"tax" definitions.

Article 3: Best Value Contracting

- 1 Best Value; Construction (state procurement).** Defines "best value" for the purposes of contracts for construction, building, alteration, improvement, or repair services, in the chapter of statutes that governs state government procurement. States that the definition does not apply to provisions governing design-build. This definition is applied in all the other construction contracting statutes included in this article.
- 2 Vendor (state procurement).** Defines "vendor" for the purposes of the chapter of statutes governing state procurement.
- 3 Acquisition Authority (state procurement).** Strikes language dealing with construction contracts, in conjunction with new language authorizing best value for these contracts.
- 4 Acquisition Authority; Construction Contracts (state procurement).** Requires the commissioner of administration to award contracts for building and construction projects under section 16C.28, and provides that best value is defined as provided in this bill.
- 5 Training.** Authorizes training in use of best value contracting for construction projects.
- 6 Competitive Bids or Proposals.** Defines competitive proposals, and reference proposals as well as bids in the law governing state construction contracts.
- 7 Single Source of Supply.** References proposals as well as bids.
- 8 Award Requirements (state procurement).** (a) Strikes language requiring all state building and construction contracts to be awarded to the lowest responsible bidder and provides that a contract may be awarded to (1) the lowest responsible bidder or (2) the vendor or contractor offering the best value.

(b) Requires the vendor or contractor under either approach to secure bonding, commercial general insurance, and workers' compensation insurance.

Defines best value, and specifies three phrases under which specified governments entities will be authorized to participate in best value procurement methods.

Provides that the commissioner of administration or any agency for which competitive bids or proposals are required may not use best value contracting for more than one project annually, or 20 percent of its projects, whichever is greater, in each of the first three fiscal years in which best value construction contracting is used.

- 9 Awarding of Contract (watershed districts).** Authorizes use of best value.
- 10 How Contract May Be Awarded (drainage authorities).** Authorizes use of best value.
- 11 How Job May Be Let (public water and sewer systems).** Authorizes use of best value.
- 12 Contracts (school districts).** Conforming language for best value.
- 13 Best Value Alternative (school districts).** Authorizes use of best value.
- 14 Best Value Alternative (county or town road construction).** Authorizes use of best value.
- 15 Best Value Alternative (pedestrian and nonmotorized vehicle bridge projects).**

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- Authorizes use of best value.
- 16 **Best Value Alternative (trunk highway projects).** Authorizes MnDOT to award construction contracts based on best value.
- 17 **Best Value Contracting (MnDOT).** Authorizes best value for projects other than design build (which are governed by the next section).
- 18 **Best Value Selection (design-build highway projects).** Inserts reference.
- 19 **Effects on Other Law of Public Contract with Commissioner.** Conforming amendment.
- 20 **Best Value Alternative (towns).** Authorizes towns to award construction projects based on best value.
- 21 **Best Value Alternative (city hall - county courthouse projects).** Authorizes use of best value.
- 22 **Best Value Alternative (counties).** Authorizes counties to award construction contracts based on best value.
- 23 **Contracts in Excess of \$500; Best Value Alternative (St. Louis County ditch repair).** Authorizes use of best value.
- 24 **Contracts; Best Value Alternative (statutory cities).** Authorizes use of best value.
- 25 **Best Value Alternative (local improvements, special assessments).** Authorizes municipalities to award construction contracts for local improvement projects based on best value.
- 26 **Contracts In Excess of \$5,000; Best Value Alternative (Western Lake Superior Sanitary District).** Authorizes use of best value.
- 27 **Best Value Alternative (HRAs).** Authorizes use of best value.
- 28 **Contracts; Bids; Bonds (port authorities).** Conforming amendment.
- 29 **Contracts; Best Value Alternative (port authorities).** Authorizes use best value.
- 30 **Uniform Municipal Contracting Law.** Authorizes a municipality to award a construction contract based on best value for projects.

"Municipality" is defined under the uniform municipal contracting law to mean a county, town, city, school district or other municipal corporation or political subdivision of the state authorized by law to enter into contracts.

- 31 **Uniform Municipal Contracting Law.** Authorizes a municipality to award a construction contract based on best value for projects.
- 32 **Uniform Municipal Contracting Law.** Authorizes a municipality to award a construction contract based on best value for projects.
- 33 **Contracts Over \$50,000; Best Value Alternative (Metropolitan Council).** Authorizes the Metropolitan Council to award a construction contract for the metropolitan disposal system (regional wastewater collection and treatment) based on best value.
- 34 **Contracts (Minnesota Ballpark Authority).** Clarifies "best value" by inserting a cross reference to the definition.

Article 4: Elections

- 1 **Major Political Party.** Modifies the definition of "major political party" by moving the deadline for a political party to petition the secretary of state for a major-party status listing on the state partisan primary ballot. Under current law, a petition may be filed at any time before the close of filing. This bill requires petitions to be filed at least six weeks before the start of the filing period. It also requires that petitions only be circulated between January 2

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and the petition-filing deadline.

- 2 **Minor Political Party.** Creates a definitional change to "minor political party" similar to that in section 3 of the bill. A party must petition the secretary of state for minor party status at least six weeks before the start of the filing period, and petitions may only be circulated between January 2 and the petition-filing deadline.
- 3 **Notice of Violation.** Modifies the conditions under which a county auditor must mail a violation notice to voters. Under current law, a violation notice must be sent where the county auditor determines that a voter has voted in a precinct other than the precinct in which the voter maintains residence. This bill changes the language to require a violation notice be sent when a county auditor determines that a voter has voted using an address at which the voter does not maintain residence on election day.
- 4 **Registered Voter Signature.** Permits voters who are unable to sign their name sign by making a mark, having another person write the voter's name in the voter's presence, using a rubber stamp of the voter's signature or mark, or other method of another person making a signature for the voter and adopted for all purposes of a signature, if within the voter's presence.
- 5 **Registration Prior to Election Day.** Permits eligible voters to register by paper application, or if the Secretary of State's Web site provides the option, to register online using a Minnesota driver's license, identification card, or learner's permit. A state or local agency accepting applications must submit them to the secretary of state within 10 business days after the date of the application.
- 6 **Compensation for Soliciting Registrations.** Prohibits individuals from being compensated for soliciting, collecting, or accepting voter registration applications if the rate of compensation is determined by the number of registration applications received. Violation is a petty misdemeanor.
- 7 **Election Day Registration.** Removes the requirement that vouching information be included on the voting records of the person registering to vote and the current voter who is vouching for the individual's residence.

Adds to the list of documents sufficient to prove residence a photo identification along with either a current utility bill or lease that shows the individual's name and valid residential address. An identification card issued by a recognized tribal government that contains the name, address, signature, and picture of the individual may also be used to prove residence.

This section of the bill also permits employees of a residential facility to vouch for residents of the facility for purposes of voter registration by presenting proof of employment with the facility through an identification card or other official documentation. The bill eliminates the requirement that residential facility operators provide a list of current employees to the appropriate county auditor at least 20 days prior to an election.

A definition is established for "current utility bill," "photo identification," "residential facility," and "utility bill."

This section is effective September 1, 2007.

- 8 **Format of Registration Applications.** Applies the requirements of a suitable size and weight for mailing and space for a voter's signature only to paper registration applications.
- 9 **Online Registration Verification.** Permits the secretary of state's website to provide

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registration verification for registered voters. If this service is made available, after providing their name, address, and date of birth, the system must inform the individual of their registration status and polling place, if appropriate. If the information provided is not a complete match to the statewide registration system, the individual must be informed of the non-match and advised to contact the county auditor or secretary of state.

10 **Restricted Data.** Adds to the list of items that may not be included on a publicly available voter registration list a voter's military identification card number and passport number.

11 **Registration Verification.** Modifies the procedure for handling registration verification notices returned as undeliverable by the postal service. If a notice is returned as undeliverable, but includes a permanent forwarding address in Minnesota, the county auditor must update the voter's address in the statewide registration system, and notify the voter's appropriate new county auditor. The auditor must also mail the voter a new notice of registration, indicating that the voter's voting address has changed and that the new county auditor should be notified if the new address is incorrect.

If a notice is returned as undeliverable and the permanent address indicates that the voter has moved out-of-state, the county auditor must mail a notice to the new address advising the voter that their Minnesota voter registration will be deleted if the voter does not respond within 21 days. If the voter has not responded after 21 days indicating that the voter intends to maintain their Minnesota address as their permanent address, the county auditor must delete the voter's registration.

If no forwarding address is provided, the county auditor must change the voter's registration status to "challenged," requiring the voter to comply with the procedures necessary for challenged voters to be permitted to vote, as described in section 204C.12.

This section is effective August 1, 2007.

12 **Change of address system.** Requires the secretary of state to obtain a monthly list of individuals in Minnesota who have filed a permanent change of address with the U.S. Postal Service. If a voter has moved to a new address in Minnesota, the secretary of state must electronically notify the county auditor of the voter's new county, and the auditor must update the statewide registration system, and send the appropriate registration notice to the voter.

If a voter has moved out-of-state, the voter's former county auditor must be notified. The auditor must send the appropriate notice to the voter's new address, and delete the voter's registration from the statewide system if the voter does not respond within 21 days.

This section is effective April 1, 2008.

13 **Automatic Registration.** Creates a system of automatic voter registration.

Subd. 1. Requires that any unregistered eligible voter who completes an application for a new or renewed driver's license, instruction permit, or identification card be registered to vote, unless the applicant declines the voter registration.

Subd. 2. Requires the commissioner of public safety to format its driver's license, instruction permit, and identification card applications to include a box for the applicant to

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decline voter registration. Information on applicants that do not decline the registration must be electronically submitted to the secretary of state on a daily basis (a modification from the weekly delivery required by current law), and that, in addition to the information currently provided, also included must be the applicant's citizenship and signature.

Subd. 3. Requires the secretary of state to verify the registration status of each applicant; information on applicants that have changed their personal information must be transmitted electronically to the appropriate county auditor on a daily basis. If an applicant is not registered, the secretary of state must determine the applicant's eligibility to vote, including checking certain court records. If an applicant is eligible to vote, the secretary of state must submit registration information to the appropriate county auditor on a daily basis.

Subd. 4. Upon receipt of registrations from the secretary of state, the county auditor must mail each newly registered voter the appropriate notice of registration.

Subd. 5. Registrations received within 20 days of an election are not effective for purposes of voting until the day after the election.

As described in section 67 of this article, no applicant may be automatically registered to vote until the system has been tested and shown to accurately determine eligibility to vote.

14 Active Voter Status. Extends the time period during which voters maintain active voting status from four years to six years. Registered voters who have not voted after six years are classified as "inactive." The bill requires rejected absentee or mail ballots, in addition to the existing allowance for late absentee ballots, to be considered votes for purposes of active voter registration status.

15 Eligibility for Absentee Voting. Allows any eligible voter, regardless of reason, to vote by absentee ballot. Current law requires voters seeking to cast an absentee ballot to reasonably expect an inability to go to the appropriate polling place because of their absence from the precinct, illness, disability, religion, or service as an election judge in another precinct.

This section is effective April 1, 2008.

16 Application Procedures. Makes technical changes to conform section 203B.04, subdivision 1, to the new language in section 16 of this article.

This section is effective April 1, 2008.

17 Ongoing Absentee Status. Allows any eligible voter to apply for "ongoing absentee" status, which automatically provides the voter with an absentee ballot, unless the voter specifically requests otherwise at least 35 days before election day. Current law already provides that status as an ongoing absentee voter must be indicated on the voter's registration record, and ends upon written request, death of the voter, return of an absentee ballot as undeliverable, and change in voter eligibility status, including "inactive" status under section 201.171. The bill requires the secretary of state to adopt rules to govern "ongoing absentee" procedures.

This section is effective April 1, 2008.

18 Delivery of Absentee Ballots. Permits a county auditor to deliver an absentee ballot to a designated agent. This section makes technical changes to conform section 203B.06,

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subdivision 3, to the new language in section 21 of this article.

This section is effective August 1, 2007.

- 19 Absentee Ballot Envelope/Witness Certification.** Eliminates the requirement that an absentee ballot be designed so as to contain either an additional envelope or a flap to conceal the voter's signature, identification, and other information.

This section also modifies the witness certification requirements. Under current law, absentee ballot return envelopes must include a certificate of eligibility to vote, printed on the back of the envelope. In addition to a statement signed by the absentee voter swearing that the voter meets all requirements for absentee voting, the certificate must also contain a statement signed by a person who is registered to vote in Minnesota, or who is a notary public or otherwise authorized to administer oaths, stating that:

- (a) the absentee voter displayed the ballot as unmarked;
- (b) the absentee voter marked the ballot in the person's presence without showing how it was marked (or if the absentee voter is physically unable to mark the ballot, that the absentee voter directed another individual to mark the ballot); and
- (c) if the voter was not previously registered, that the absentee voter provided proof of residence.

This section modifies the law by applying the inclusion and witness signature requirements for statements (a), (b), and (c) above only to absentee voters that have not previously registered to vote. Absentee voters who have previously registered to vote would no longer be required to vote in the presence of a witness.

This section is effective April 1, 2008.

- 20 Absentee Voting Locations.** Requires that any polling places designated by the county auditor for absentee voting during the 30 days preceding be equipped with at least one electronic ballot marker, in addition to the current requirement that at least one voting booth be provided at each location.

- 21 Agent Delivery.** Current law permits a voter to designate an agent if the voter is a patient in a health care facility, a participant in a residential program for adults, or a resident of a battered women's shelter. This section allows an eligible voter who would have difficulty getting to the polls because of health reasons, is disabled, or a resident of a facility providing assisted living services to also designate an agent to receive and deliver absentee ballots.

Existing law permits agents to be designated in the four days preceding an election up until 2:00 p.m. on election day; this section permits agents to be designated during the seven days preceding an election until 2:00 p.m. on election day.

Remaining unaffected are current requirements that:

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- (a) a candidate at the election may not be designated as an agent;
- (b) agents may only deliver ballots to three people in any election;
- (c) the agent-delivered ballots must be returned to the county auditor or municipal clerk by 3:00 p.m. on election day; and
- (d) the voter submit an affidavit requesting an agent deliver an absentee ballot.

This section is effective August 1, 2007.

- 22 **Absentee Ballot Counting.** Modifies the deadline after which absentee ballots may be counted on election day. Under current law, absentee ballots may only be opened after the last regular mail delivery of the day. This bill would allow absentee ballots to be opened for counting after noon on election day.
- 23 **Absentee Ballot Board.** Eliminates the requirement that a county have established a counting center before authorizing an absentee ballot board. An absentee ballot board may be used to accept or reject absentee ballots during the 30 days prior to an election, allowing some voters to correct mistakes. Absentee ballot boards are also permitted in municipalities and school districts upon an appropriate local resolution or ordinance.
- 24 **Duties of Absentee Ballot Board.** Limits the scope of the absentee ballot board's authority to examining absentee ballot envelopes and accepting or rejecting the ballots. Under current law, the board is also permitted to open and count absentee ballots. This section also eliminates the requirement that the secretary of state provide sample replacement ballots and return envelopes to counties.
- 25 **Permanent Non-U.S. Residence.** Expands the law to allow certain individuals to vote for President and Vice President and members of Congress. Otherwise eligible voters may vote for these offices even though they have never resided within the territorial limits of the United States, if they have a parent who is eligible to vote in Minnesota.

This section is effective for elections held after April 1, 2008.

- 26 **Military and Non-Resident Absentee Voting.** Eliminates the requirement that a voter who does not have a valid passport or identification card include a signed certification, from either a military officer or other individual authorized to administer oaths, that the absentee voter has attested to the truthfulness of the absentee ballot application.

In addition to eliminating the oath requirement, this section of the bill permits an applicant to include a Minnesota driver's license or state identification card number instead of a military identification card number or passport number. If a voter does not have access to any of these documents, the voter may attest, under penalty of perjury, to the truthfulness of the application.

This section is effective for elections held after April 1, 2008.

- 27 **Ballot Submission.** Permits a voter to request that the absentee ballot, instructions, and certification of eligibility be sent electronically, as permitted under section 30 of this article.

This section is effective for elections held after April 1, 2008.

- 28 **Return Envelope Design.** Requires the absentee ballot return envelope be formatted to

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reflect the changes in section 26 of this article.

This section is effective for elections held after April 1, 2008.

- 29 Replacement Ballots.** Requires that the county auditor only send one set of ballots to an absentee voter for any one election, except that a replacement ballot may be sent if a ballot has been spoiled or lost in transit, or if the absentee voter's mailing address has changed since the date on which the absentee voter application was submitted.

This section is effective for elections held after April 1, 2008.

- 30 Electronic Ballot Transmission.** Establishes procedures for handling electronically transmitted absentee ballots.

Subd. 1. Certification. Permits the county auditor to transmit ballots, instructions, and an affidavit form and certification of voter eligibility to an absentee voter electronically.

Subd. 2. Return of ballots. Requires the absentee voter to return the ballots in a sealed envelope. Ballots may NOT be returned electronically. The county auditor must immediately verify the information provided. The ballot must be placed with the other absentee ballots in the precinct in which the voter resides.

Subd. 3. Rejection. A ballot must be rejected if the auditor cannot verify that the ballots were returned by the same person that submitted the absentee ballot application.

This section is effective for elections held after April 1, 2008.

- 31 Write-In Absentee Ballot.** Permits an eligible voter who will be outside the United States during the 180 days prior to the general election to use the federal write-in absentee ballot for any federal, state, or local election.

This section is effective for elections held after April 1, 2008.

- 32 Voter Eligibility Verification.** Removes a reference to the currently required oath from the list of items an election judge must verify before accepting an absentee ballot; this section of the bill conforms the verification process to the new requirement in section 26 of this article.

This section is effective for elections held after April 1, 2008.

- 33 Emergency Powers.** Permits the secretary of state to prescribe, by emergency orders, special procedures or requirements to facilitate absentee voting by citizens otherwise eligible to vote in Minnesota if substantial compliance with the Uniformed and Overseas Citizens Absentee Voting Act is impossible or unreasonable. The secretary of state may issue these orders if the governor has declared an emergency, or in the event of a natural disaster or armed conflict that involves the United States Armed Forces, including the Minnesota National Guard and reserve components.

The secretary of state is required to adopt rules describing the emergency powers and the situations in which the powers must be exercised.

This section is effective for elections held after April 1, 2008, but the secretary of state may

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adopt rules to comply with this section beginning the day following final enactment.

34 Affidavit of Candidacy. Requires affidavits of candidacy to include an original signature of the candidate, unless extraordinary circumstances justify electronic filing, as described in section 36 of this article.

35 Affidavits and Nominating Petitions. Creates a deadline for submitting an affidavit of candidacy for candidates for presidential elector not affiliated with a major party. Nominating petitions must be filed no earlier than 70 days before the state primary. This section also requires that affidavits of candidacy and nominating petitions be filed with the secretary of state for federal offices, with the county auditor for county offices, and either the secretary of state or county auditor for state offices.

36 Absent Candidates. Permits candidates to file an affidavit of candidacy electronically, if extraordinary circumstances beyond the candidate's control prevent the candidate from filing an affidavit authenticated by the candidate's handwritten signature.

The affidavit must be authenticated either by an electronic facsimile signature of the candidate, by electronic signature using a password assigned by the secretary of state, or other electronic signature approved by the secretary of state.

Permits the secretary of state to adopt rules governing electronic filing of affidavits of candidacy.

37 Write-In Candidate Votes. In addition to candidates for state and federal office, requires write-in candidates for county office who want write-in votes counted to file a request with the appropriate filing office. The deadline for submitting this request is moved from the fifth to the seventh day before the general election.

38 Petition Circulation. Establishes a window of time in which a candidate may circulate a petition rather than paying a filing fee at the time of filing an affidavit of candidacy. Petitions may be circulated from the date of precinct caucuses to the end of the period for filing affidavits of candidacy.

39 Polling Place Location. Expands the distance from the precinct in which a metro-area polling place can be located from 3,000 feet to one mile outside the boundaries of the precinct.

40 Appointment of Election Judges. Under current law, designated county or legislative district chairs of each major political party must prepare a list of eligible voters to act as election judges in each precinct in the county or legislative district.

Actual election judge appointments are made by the appropriate local governing body, and must come from the lists provided by each major political party. If no list is provided, or all names on the list have been exhausted, the appointing authority may appoint any other individual to serve as an election judge, provided they meet the necessary requirements and qualifications. (Among the requirements, election judges must be able to read, write, and speak English, may not be a spouse, parent, child, or sibling of another election judge in the precinct or any candidate in the election, or an actual candidate in the election.)

This bill modifies these requirements: using the lists submitted by each major party is permitted, but not required, and other individuals not affiliated with a major political party may be appointed as election judges at any time, regardless of whether the names on the submitted lists are "exhausted." This bill also specifies that at least two election judges in

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each precinct still must be affiliated with different major political parties.

41 Township Elections. Exempts townships from various requirements related to party balance in the appointment and duties of election judges in township elections not held alongside a statewide election. Township elections are nonpartisan.

42 Voter Complaints. Establishes a voter complaint and resolution process to replace the current process repealed by section 49 of the bill.

Subd. 1. Scope. Establishes the conditions for which a voter may file a complaint and seek resolution, including improper maintenance of voter records, an inability to register to vote as allowed by law, a lack of proper voting systems with which to vote, and a failure or imminent failure to comply with a duty imposed by the Help America Vote Act. Complaints must be filed with the appropriate local or state offices as described in the bill, using a standard form for complaint as provided by the secretary of state.

Subd. 2. Notice of Complaint. Expands the deadline for submission of a copy of a complaint to the jurisdiction complained against from three business days to seven calendar days.

Subd. 3. Response. Reduces the deadline for submitting a written response from 20 days to 14 days.

Subd. 4. Hearing. If the person filing the complaint is not satisfied with the response, that person may file a request for a hearing. If a request for hearing is filed, a hearing must be conducted. The official with whom the complaint was filed must rule on the complaint within 14 days after the hearing.

Subd. 5. Timeline. Requires a ruling on a complaint to be made within 90 days after the complaint was filed. If a ruling is not made within 90 days, the official with whom the complaint was filed must provide alternative dispute resolution processes to address the complaint, which must be completed within 60 days of its commencement.

Subd. 6. Appeals. Appeals may be made no later than 30 days after the ruling, and must be heard within 14 days of filing the appeal. Appeals are to be filed with the secretary of state, who may affirm, reverse, or modify a ruling and provide instructions to parties as necessary. If a complaint is against the secretary of state, the appeal must be filed in Ramsey County District Court.

Subd. 7. Remedies. If the official rules that a HAVA violation occurred, the official must provide an appropriate remedy. If the official rules that no violation occurred, the complaint must be dismissed and the results of the process must be published by the official.

This complaint process is effective beginning January 1, 2008.

43 Mail Balloting Procedure. Modifies the window of time during which jurisdictions using mail balloting may send ballots from between 20 and 14 days before an election to between 30 and 14 days before the election. Requires the county auditors to mail ballots to voters who registered after the initial mailing of ballots, but before 20 days prior to the election. This mailing must take place at least 14 days prior to the election.

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This section also permits the auditor or clerk to appoint election judges to accept or reject ballots during the 30 days prior to the election; if a ballot has been rejected at least five days prior to election day, a replacement ballot must be provided to the voter.

44 Polling Place Linger. Prohibits individuals, except election judges and individuals waiting to register to vote, from standing within 100 feet of a building in which a polling place is located. Under current law, individuals are not permitted to stand within 100 feet of the doorway leading to the room where the voting is actually taking place. This modification is consistent with the new requirements in section 61 of this article.

45 Challenger Residence Requirement. Provides that appointed partisan challengers must prove residence in the state through the same documentation requirements mandated for voters registering on election day. A challenger may not prove residence using the vouching process. Challengers are not required to prove residence in the actual precinct in which they seek to act as a challenger.

This section is effective September 1, 2007.

46 Challenger Oath. Requires a challenger to state under oath that the challenger understands and will abide by the laws and rules governing challengers and challenges to voters.

This section is effective September 1, 2007.

47 Cancellation of a Special Municipal Election. Permits a special election ordered by a municipality to be cancelled by its own motion, so long as the cancellation does not occur less than 46 days before the election.

48 City Office Write-in Candidates. Requires candidates wishing to have write-in votes counted for their candidacy to file a request with the appropriate filing officer no later than seven days prior to the election. The filing officer must make forms available on which the request can be made.

49 Municipal Election Sample Ballots. Requires sample ballots for municipal elections be created at least two weeks before election day and made available for public inspection. The modifications conform the requirements to other sample ballot deadlines as modified in the bill.

50 Notice of Cancellation. Requires the municipal clerk to notify the county auditor, in writing, of any cancelled special election at least 46 days prior to the scheduled election.

51 Cancellation of a Special School Board Election. Permits a special election ordered by a school board to be cancelled by its own motion, so long as the cancellation does not occur less than 46 days before the election.

52 Notice of Cancellation: County Auditor. Requires the school district clerk to notify the county auditor, in writing, of any cancelled special election at least 46 days prior to the scheduled election.

53 Notice of Cancellation: Commissioner of Education. Requires the school district clerk to notify the commissioner of education, in writing, of any cancelled special election at least 46 days prior to the scheduled election.

54 School District Elections. Incorporates section 204B.21, subdivision 2, into the exemption for school district elections relating to party balance of election judges. This modification is included because 204B.21, subdivision 2, as amended by section 40 of this article, includes new requirements for party balance.

The reference to section 206.64, subdivision 2, is removed because that provision was

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repealed in 1997.

55 Disabled Voters. Requires township elections held after December 2009 to include, at each polling place, a voting system that is accessible for individuals with disabilities, including non-visual accessibility for the blind.

56 Postelection Review Official Definition. Modifies the definition of postelection review official to mean the county auditor, unless the county auditor designates that title to the municipal clerk within 24 hours after the canvass of the state general election.

57 Postelection Review Procedures. Requires additional reviews to be conducted in at least three precincts in the same jurisdiction, if a discrepancy of greater than one half of one percent, or greater than two votes in a precinct with 400 or fewer cast ballots is discovered in one precinct. If similar discrepancies are discovered in the newly reviewed precincts, the county auditor must conduct a review of all precincts in the county.

58 Local Candidate Financial Reports. Requires financial reports filed by candidates for certain local offices include a printed name, phone number, signature, and email address, if available, in addition to the address of the person responsible for filing the financial report.

This section also requires that the filing officer restrict public access to the address of individuals who have made contributions of \$100 or more, if the individual has submitted a written, signed statement that the safety of the individual or the individual's family requires withholding address information.

59 Failure to File a Financial Statement Certification. Specifies that a failure to file a certification that all financial reports are filed as required, or no financial reports were necessary, constitutes a misdemeanor offense.

60 Use of the Term Re-Elect. Modifies the law regulating the use of the term "re-elect" to specify that an individual or candidate may not use the term "re-elect" unless the candidate is the incumbent of the office for which the election is being held. The term "re-elect" may not be used if the incumbent is seated in the office as a result of an appointment, rather than an election.

Defines "incumbent" to mean the individual seated in the office on the last day of filing as a candidate for election to the office.

61 Polling Place Solicitation. Modifies the restriction on campaign material, signs, solicitation and other persuasion of voters near a polling place. Under current law, these activities may not occur within 100 feet of a building in which a polling place is located, and anywhere on the public property on which a polling place is situated. This bill removes the public property restriction, leaving the no-campaigning zone anywhere within 100 feet of the building where the polling place is located. This modification conforms the requirements to the restrictions on lingering near a polling place, as modified in section 44 of this article.

62 Uniform Electronic Transactions Act. Exempts affidavits of candidacy relating to the conduct of elections from the requirements of chapter 325L, the Uniform Electronic Transactions Act, which regulates certain types of electronic records.

63 County Commissioner Vacancy; Option for Special Election. Permits a vacancy in the office of county commissioner to be filled by a special election held between 30 and 90 days after the vacancy occurs.

This section is effective the day following final enactment.

64 County Commissioner Vacancy; Option for Appointment. Permits a vacancy in the

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office of county commissioner to be filled by a board appointment at a regular or special meeting. This section requires a special election to be held if the vacancy occurs before the first day to file an affidavit of candidacy for the next county general election and more than two years remain in the unexpired term. The appointed person maintains the seat until the qualification of a successor at the special election.

This section is effective the day following final enactment.

65 City Charter Amendment Petitions. Requires that petitions filed to propose an amendment to a city charter be signed no earlier than 26 weeks before the general election.

66 Hospital District Write-in Candidates. Requires candidates for hospital district office wishing to have write-in votes counted for their candidacy to file a request with the appropriate filing officer no later than seven days prior to the election. The filing officer must make forms available on which the request can be made.

67 Automatic Registration Effective Date. Specifies that no applicant may be automatically registered to vote, as described in the new procedures contained in section 13 of this article, until the registration system has been tested and shown to properly determine eligibility to vote.

68 Repealers. Repeals the following sections of Minnesota law:

- **Section 200.04:** Help America Vote Act complaint procedures; these procedures are replaced in section 42 of this article. This repeal is effective January 1, 2008.
- **Section 201.061, subdivision 7:** Records of attempted voter registration by individuals unable to provide proof of residence submitted to the appropriate county auditor
- **Section 201.096:** Use of the statewide voter registration system for school district elections
- **Section 203B.02, subdivision 1a:** Permitting county boards to authorize any eligible voter to vote by absentee ballot, without qualification, between August 1991 and November 1992
- **Section 203B.04, subdivision 5:** Allows a voter to request an absentee ballot be automatically sent because of a permanent inability to go to the polls resulting from an illness or disability. This section has been deemed redundant; the repeal does not remove or modify any substantive rights. Voters may request "ongoing absentee" status under section 203B.04, subdivision 6 (section 17 of this article). This repeal is effective April 1, 2008.
- **Section 203B.13, subdivision 3a:** Creation of a list of voters requesting absentee ballots, to be submitted to an absentee ballot board and verified against voters actually appearing at the polling place.

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Article 5: Election Clarifications

This bill modifies various parts of the laws relating to election administration, by making technical terminology changes and specifying certain duties and requirements.

- 1 **Conservation District Ballots.** Permits either the title "Soil and Water Conservation District Supervisor" or "Conservation District Supervisor" to be printed on the ballot as appropriate, based upon the usage in the district from which the supervisor is to be elected.
- 2 **Registration.** Replaces the term registration "card" with registration "application." This change brings the law into conformity with the Help America Vote Act of 2002.
- 3 **Registration by Election Judges.** Replaces the term registration "card" with registration "application." This change brings the law into conformity with the Help America Vote Act of 2002.
- 4 **Deficient Registration.** Eliminates the requirement that an election judge request an individual correct a voter registration application if the name or number of the voter's school district is missing or obviously incorrect.
- 5 **Change of Registration.** Requires a county auditor who receives an application indicating previous voter registration in another county update the voter's record through the statewide registration system. This section eliminates the current requirement that the auditor of the voter's old county be notified, and eliminates the requirement that an auditor who receives a registration card indicating that a voter was previously registered in a different precinct of the same county remove that registration card from the files.
- 6-9 **Registration.** Sections 6 through 9 replace the term registration "card" with registration "application." This change brings the law into conformity with the Help America Vote Act of 2002.
- 10 **Absentee Ballot Application Procedures.** Establishes a cross reference to section 203B.11, subdivision 4, which permits patients in a health care facility, a participant in a residential program for adults, or a resident of a shelter for battered women to receive an absentee ballot on election day. The cross reference permits this process to continue, even though the law otherwise prohibits an application for an absentee ballot to be submitted on election day.
- 11 **Registration.** Replaces the term registration "card" with registration "application." This change brings the law into conformity with the Help America Vote Act of 2002.
- 12 **Town Elections.** Requires that absentee ballot applications for town elections be submitted to the town clerk for elections not held on the same day as a statewide election. This eliminates the current requirement that applications be submitted to the town clerk when the town election is conducted using the Australian ballot system.
- 13 **Delivery of Envelopes.** Replaces the term registration "card" with registration "application." This change brings the law into conformity with the Help America Vote Act of 2002.
- 14 **Receipt of Ballots.** Requires that the appropriate local official stamp or initial a returned absentee ballot envelope. This eliminates the requirement that the envelope be stamped with the official seal of the office.
- 15 **Delivery of Absentee Ballot Applications.** Eliminates the requirement that absentee ballot envelopes be delivered to the municipal clerks and election judges in the precinct if the envelopes have been accepted or rejected by an absentee ballot board.
- 16 **Proof of Eligibility.** Requires that when a candidate for judicial office, county attorney, or county sheriff submits proof of licensure along with their affidavit of candidacy, the proof

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be a copy of a current attorney or Peace Officer Standards and Training Board license, as appropriate.

- 17** **Number of Signatures.** Specifies the number of signatures required for federal or state office voted on statewide, for purposes of a nominating petition, to be the lesser of one percent of the total number of individuals voting in the last state general election, or 2,000. This provision expands this requirement for federal level to include nominating petitions for presidential electors, in addition to petitions for U.S. senate candidates.
- 18** **Materials, ballots.** Eliminates the requirement that candidate names be rotated evenly when printing school district election ballots, and instead requires the same procedures used for state elections.
- 19** **Combined Polling Place.** Requires that in school districts that have organized into separate board member election districts, a combined polling place must not include more than one board member election district.
- 20** **Plan.** Eliminates requirements for voting systems that applied to elections held in calendar year 2006.
- 21** **Social Security Number.** Permits voters to be included on the list of voters with incomplete registrations because of a failure to match the last four digits of the voter's social security number, even if the commissioner of public safety has not assembled a complete and current database of the last four digits of the social security number for each resident of the state as maintained by the Social Security Administration. A voter whose registration is classified as "incomplete" must provide the missing information at least 21 days before the next election, or at the polling place on election day.