The House of Representatives convened at 9:00 a.m. and was called to order by Paul Thissen, Speaker of the House.

Prayer was offered by the Reverend Jon Rhodes, Our Father’s Lutheran Church, Rockford, Minnesota.

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

The roll was called and the following members were present:

A quorum was present.

Dill, Garofalo, Slocum and Theis were excused.

McDonald was excused until 2:10 p.m.  Kelly was excused until 2:30 p.m.

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

The following communication was received:

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

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2013 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<table>
<thead>
<tr>
<th>S. F. No.</th>
<th>H. F. No.</th>
<th>Session Laws Chapter No.</th>
<th>Time and Date Approved</th>
<th>Date Filed</th>
</tr>
</thead>
<tbody>
<tr>
<td>76</td>
<td>12</td>
<td>2013</td>
<td>1:25 p.m. April 16</td>
<td>April 16</td>
</tr>
</tbody>
</table>

Sincerely,

MARK RITCHIE
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 157, A bill for an act relating to commerce; regulating bullion coin dealers; requiring registration; prohibiting certain conduct; providing enforcement authority and criminal penalties; proposing coding for new law as Minnesota Statutes, chapter 80G.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [80G.01] DEFINITIONS.

Subdivision 1. Scope. For purposes of this chapter, the following terms have the meanings given to them in this section."
Subd. 2. **Bullion coin.** "Bullion coin" means any coin containing more than one percent by weight of silver, gold, platinum, or other precious metal.

Subd. 3. **Bullion coin dealer.** (a) Subject to the exceptions in paragraph (b), a "bullion coin dealer" means any person who buys, sells, solicits, or markets bullion coins or investments in bullion coins to consumers and is either incorporated, registered, domiciled, or otherwise located in this state, or who does business with a consumer domiciled, residing, or otherwise located in this state.

(b) A bullion coin dealer does not include any of the following persons:

(1) a person who engages only in wholesale bullion coin transactions with bullion coin dealers who sell at retail and are properly registered under this chapter;

(2) a person who engages only in transactions at occasional garage or yard sales held at the seller's residence, farm auctions held at the seller's residence, or estate sales held at the decedent's residence;

(3) a person who is properly registered pursuant to chapter 80A, or the federal Securities Exchange Act of 1934 and rules promulgated thereunder as a securities broker dealer or broker dealer agent;

(4) an auctioneer who auctions coins at auction on behalf of an owner, if the auctioneer does not take title or ownership of the coins;

(5) a person who engages only in transactions at occasional trade shows where the consumer is present and the transaction is made at the trade show; or

(6) a federally or state-chartered bank, bank and trust, savings bank, savings association, or credit union or any operating subsidiary of them.

Subd. 4. **Coin dealer representative.** "Coin dealer representative" means any natural person acting as an employee, contractor, or agent of a bullion coin dealer and who has interactions with consumers in connection with the buying, selling, solicitation, or marketing of bullion coins or investments in bullion coins.

Subd. 5. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subd. 6. **Owner.** "Owner" means any person who has an ownership interest in a bullion coin dealer, regardless of whether directly or indirectly, of more than ten percent and who is actively engaged in the direction, management, oversight, or operation of the bullion coin dealer or its business affairs.

Subd. 7. **Person.** "Person" has the same meaning given in section 325F.68, subdivision 3.

Subd. 8. **Precious metal content.** "Precious metal content" means the quantity, measured in grams, of gold, silver, platinum, or other precious metal in a coin and the percentage that the precious metal constitutes of the total weight of the coin.

Sec. 2. [80G.02] REGISTRATION.

Subdivision 1. **Registration required.** Beginning July 1, 2014, it shall be unlawful for a bullion coin dealer or coin dealer representative to solicit, market, buy, sell, or deliver bullion coins or investments in bullion coins to a consumer without being registered by the commissioner as provided for in this chapter, if the bullion coin dealer has engaged in a bullion coin transaction or transactions with consumers during the 12-month period prior to July 1, 2014, that exceed $5,000 in the aggregate, as determined by the transactions' sale prices. If a bullion coin dealer was not required to be
registered beginning on July 1, 2014, the bullion coin dealer must submit an application to register itself and each of its coin dealer representatives within 30 days of reaching $5,000 in the aggregate of bullion coin transactions with consumers in any 12-month period prior to July 1 of any calendar year, as determined by the transactions’ sale prices. Once a bullion coin dealer is required to register itself and its coin dealer representatives, the coin dealer must thereafter renew its registration and the registration of each of its coin dealer representatives in accordance with this chapter, regardless of the aggregate amount of transactions, unless the person ceases to be a bullion coin dealer. A coin dealer representative may not buy, sell, solicit, or market bullion coins or investments in bullion coins on behalf of a bullion coin dealer unless the dealer is properly registered with the commissioner under this section.

Subd. 2. **Registration obligations.** Registrations issued or renewed by the commissioner under this chapter shall expire on June 30 and must be renewed.

Subd. 3. **Registration application and renewal.** The application and renewal forms shall include the following information, as applicable, which shall be considered by the commissioner in determining whether to issue a registration and whether to thereafter renew the registration:

1. the name, assumed names, doing business as names, including caller identification names, and business addresses of the bullion coin dealer, the name of each owner and officer, and the name and primary work location of each coin dealer representative. A bullion coin dealer who desires to carry on business in more than one location shall identify each address where business is conducted;

2. if a bullion coin dealer is doing business under any name other than the dealer’s legal name, documentation that the assumed name has been properly filed with the secretary of state;

3. the telephone numbers, including cellular phone numbers, electronic mail addresses, and Web site domain names used or intended to be used by the bullion coin dealer and its coin dealer representatives to buy, sell, solicit, market, or deliver to consumers bullion coin or investments in bullion coin;

4. the disclosure of all criminal convictions by any court within the last ten years for the bullion coin dealer and each officer and owner of the bullion coin dealer and for each of its coin dealer representatives;

5. the disclosure of any civil judgments in favor of a government entity or government entity orders entered, filed, or issued against the bullion coin dealer, its officers and owners, or its coin dealer representatives within the last ten years for violation of consumer protection laws or unfair trade practice laws or for failure to account to a consumer for money or property received from the consumer;

6. the disclosure of any settlement or other agreement with any government entity within the last ten years resolving concerns that the bullion coin dealer, its officers and owners, or its coin dealer representatives violated consumer protection or unfair trade practice laws, or for failure to account to a consumer for money or property received from the consumer; and

7. the disclosure of any instance in which the bullion coin dealer, its officers and owners, and its coin dealer representatives were at any time permanently or temporarily prohibited by any court of competent jurisdiction or ordered to cease and desist as the result of a government agency action from engaging in buying, selling, soliciting, or marketing of bullion coins or investments in bullion coin.

Subd. 4. **Notice of change in registration information.** A bullion coin dealer must provide the commissioner written notice of a change in the dealer’s name, assumed names, doing business as names, business addresses, including all business addresses at which it or its coin dealer representatives conduct business, owners, electronic mail addresses, Web site domain names, or telephone numbers used by it or its coin dealer representatives to buy, sell, solicit, or market to consumers bullion coin or investments in bullion coin no later than ten days after the change occurs.
Subd. 5. **Registration fee.** (a) The fee for each registration under this chapter shall be as follows:

(1) bullion coin dealers: $25; and

(2) coin dealer representatives: $10.

(b) The commissioner, based on the cost of processing registrations, may adjust the registration fee on an annual basis as needed.

Sec. 3. **[80G.03] REGISTRATION DENIAL, NONRENEWAL, REVOCATION, AND SUSPENSION.**

Subdivision 1. **Authority.** The commissioner may, by order, suspend, revoke, or refuse to issue or renew a bullion coin dealer or coin dealer representative registration for any one or more of the following causes:

(1) providing incorrect, false, misleading, or incomplete information to the commissioner or refusing to allow a reasonable inspection of information and documents in the possession of the bullion coin dealer, coin dealer representative, or a third party or to allow a reasonable inspection of premises;

(2) obtaining or attempting to obtain a registration through misrepresentation or fraud;

(3) having a bullion coin dealer or coin dealer representative registration or its equivalent, including licensure under section 325F.73, denied, suspended, or revoked by any locality within the state or other state, province, district, or territory;

(4) being permanently or temporarily enjoined by any court of competent jurisdiction or being ordered to cease and desist by a government agency from engaging in or continuing any conduct or practice involving the buying, selling, soliciting, or marketing of bullion coins, investments in bullion coins, or precious metal to consumers;

(5) violating the provisions of this chapter or of sections 45.027; 325D.43 to 325D.48; 325F.67; 325F.68 to 325F.69; 325F.694; and 325F.73 to 325F.744, or federal or state taxation or labor law; or

(6) violating a subpoena or order of the commissioner or a court issued pursuant to this chapter or sections 45.027; 325D.43 to 325D.48; 325F.67; 325F.68 to 325F.69; 325F.694; 325F.70; and 325F.73 to 325F.744.

Subd. 2. **Bullion coin dealer responsibility for actions of coin dealer representatives.** The commissioner may take action against a bullion coin dealer for any violations of this chapter by its coin dealer representatives. The commissioner may also take action against the coin dealer representative.

Subd. 3. **Other authority of the commissioner.** If a registration lapses, is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within two years after the registration was last effective and enter a revocation order as of the last date on which the registration was in effect, and impose a civil penalty as provided for in section 45.027, subdivision 6.

Subd. 4. **Effect of revocation.** A revocation of a registration prohibits the bullion coin dealer or coin dealer representatives from making a new application for a registration for at least two years from the effective date of the revocation.

Sec. 4. **[80G.04] CRIMINAL CONVICTIONS.**

Subdivision 1. **Bullion coin dealer registration precluded.** The commissioner must deny an application for registration or renewal of a bullion coin dealer, or revoke such registration, if the bullion coin dealer or its owners or officers have within the last ten years been convicted in any court of any financial crime or other crime involving fraud, theft, or dishonesty.
Subd. 2. **Coin dealer representative registration precluded.** The commissioner must deny an application for registration or renewal of a coin dealer representative, or revoke such registration, if the coin dealer representative has within the last ten years been convicted in any court of any financial crime or other crime involving fraud, theft, or dishonesty.

Sec. 5. **[80G.05] SCREENING.**

Subdivision 1. **Screening process required.** Each bullion coin dealer must establish procedures to screen each of its owners and officers and each of its coin dealer representatives prior to submitting the application to the commissioner for initial registration and at each renewal. The results of such screenings shall be provided to the commissioner as part of the initial registration and all renewal registrations if requested by the commissioner.

Subd. 2. **Initial screening.** The screening process for initial registration must be done no more than 60 days before the submission of an application for registration. The process must include a national criminal history record search, a judgment search, and a county criminal history search for all counties where the owner, officer, or coin dealer representative has resided within the immediately preceding ten years. Each bullion coin dealer shall use a vendor that is a member of the National Association of Professional Background Screeners, or an equivalent vendor, to conduct the background screening process on its owners, officers, and coin dealer representatives.

Subd. 3. **Renewal screening.** The screening process for the renewal of a registration must include a national criminal history record search, a judgment search, and county criminal history search for all counties where the owner, officer, or coin dealer representative has resided since satisfactorily completing the last screening process conducted pursuant to this section. Screening for renewal of the owner, officer, and coin dealer representative registrations must take place no more than 60 days before the submission of an application for renewal of a registration.

Sec. 6. **[80G.06] SURETY BOND.**

Subdivision 1. **Surety bond requirement.** Every bullion coin dealer shall maintain a current, valid surety bond issued by a surety company admitted to do business in Minnesota in an amount based on the transactions (purchases from and sales to consumers at retail) during the 12-month period prior to registration, or renewal, whichever is applicable.

The amount of the surety bond shall be as specified in the table below:

<table>
<thead>
<tr>
<th>Transaction Amount in Preceding 12-month Period</th>
<th>Surety Bond Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $200,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>$200,001 to $500,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>$500,001 to $1,000,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>$1,000,001 to $2,000,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Over $2,000,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

Subd. 2. **Action on bond permitted.** A consumer injured in money or property by a bullion coin dealer's or coin dealer representative’s failure to provide bullion coins that the consumer has paid for or failure to remit money or goods owed to the consumer in connection with the consumer’s sale of bullion coins may file a claim with the surety and if the claim is not paid, is authorized to bring an action based on the bond and recover against the surety. The commissioner or attorney general may also file a claim and bring an action on the bond and recover against the surety on behalf of a consumer so injured.
Sec. 7. [80G.07] PROHIBITED CONDUCT.

Subdivision 1. Sales practices. No bullion coin dealer or coin dealer representative shall:

(1) prior to a transaction regarding bullion coins, or concurrent with the delivery thereof, fail to provide to the consumer in writing, in a clear and conspicuous manner, the sale or purchase price and the precious metal content of the bullion coins involved in the transaction. The written notice shall also include the bullion coin dealer's registration identification information issued by the commissioner, and the Department of Commerce's e-mail address and telephone number. A copy of the written notice shall be provided to the consumer and a copy retained by the bullion coin dealer;

(2) fail to deliver bullion coins to a consumer within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has paid for the coins;

(3) fail to pay a consumer for purchased bullion coins within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has provided the coins;

(4) fail to provide a written invoice at the time of the transaction specifically identifying and describing the bullion coins involved in the transaction, the quantity of bullion coins involved in the transaction, and the bullion coins' sale or purchase price and precious metal content. The written invoice shall include the bullion coin dealer registration identification information issued by the commissioner, and the Department of Commerce's e-mail address and telephone number. A copy of the transaction documentation shall be provided to the consumer and a copy retained by the bullion coin dealer;

(5) misrepresent the delivery date of bullion coins or payment for bullion coins, or the dealer or representative's professional qualifications, affiliations, or registration;

(6) misrepresent any material aspect of a bullion coin, including its performance, efficacy, nature, investment value, central characteristics, liquidity, earnings potential, or profitability;

(7) misrepresent the manner in which any bullion coins a consumer provides will be stored or otherwise handled once received;

(8) renegotiate the terms of a sale or purchase after receiving a consumer's payment or bullion coins without first obtaining the consumer's agreement to renegotiate and offering the consumer the option to have the payment fully refunded or the entirety of the bullion coins returned;

(9) fail to respond within three business days to a consumer inquiry about the delivery status of bullion coins that the consumer has paid for but not yet received or the status of a payment for bullion coins that the consumer has already provided;

(10) telephone or solicit a consumer, or sell or provide the consumer's name to any other bullion coin dealer or coin dealer representative, after the consumer requests not to be contacted;

(11) violate a subpoena or order of the commissioner or a court;

(12) make any communication to a potential buyer or seller of bullion coins that misrepresents the relationship, if any, between the bullion coin dealer or coin dealer representative and any government agency or mint;

(13) improperly withhold, misappropriate, or convert any money or properties received in the course of buying, selling, soliciting, or marketing bullion coins or investments in bullion coins to consumers;
(14) misrepresent the terms of an actual or proposed purchase or sale of bullion coins or investment in bullion coins to a consumer; or

(15) violate any other federal, state, or local law or rule related to selling, purchasing, soliciting, or marketing of bullion coin, investments in bullion coin, or precious metals, or any federal, state, or local law related to fraudulent, coercive, or dishonest practices, or federal, state, or local law related to taxation or labor standards.

Subd. 2. Application. From August 1, 2013, to June 30, 2014, this section shall apply to any bullion coin dealer and its coin dealer representatives if the bullion coin dealer is engaged in a bullion coin transaction or transactions with consumers which exceed $5,000 in the aggregate, as determined by the transaction sale prices, during the 12-month period prior to August 1, 2013. On or after July 1, 2014, this section shall apply to any bullion coin dealer and its coin dealer representatives which is or should be registered in accordance with the provisions of this chapter.

Sec. 8. [80G.08] CRIMINAL VIOLATION.

A person who conducts business as a bullion coin dealer or as a coin dealer representative without having first registered with the commissioner, or who carries on such business after the revocation, suspension, or expiration of a registration, or who violates section 80G.07, subdivision 1, clause (2) or (3), is guilty of a misdemeanor.

Sec. 9. [80G.09] OTHER ACTION; LOCAL AUTHORITY.

Nothing in this chapter precludes an action under chapter 80A or preempts local government authority under section 325F.742.

Sec. 10. [80G.10] INVESTIGATIONS AND CIVIL ENFORCEMENT.

Subdivision 1. Civil action instituted by commissioner. If the commissioner believes that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this chapter or a rule adopted or order issued under this chapter or that a person has, is, or is about to engage in an act, practice, or course of business that materially aids a violation of this chapter or a rule adopted or order issued under this chapter, the commissioner may maintain an action in the district court to enjoin the act, practice, or course of business and to enforce compliance with this chapter or a rule adopted or order issued under this chapter.

Subd. 2. Relief available. In an action under this section and on a proper showing, the court may:

(1) issue a permanent or temporary injunction, restraining order, or declaratory judgment;

(2) order other appropriate or ancillary relief, which may include:

(i) an asset freeze, accounting, writ of attachment, writ of general or specific execution, and appointment of a receiver or conservator, that may be the commissioner, for the defendant or the defendant's assets;

(ii) ordering the commissioner to take charge and control of a defendant's property, including investment accounts and accounts in a depository institution, rents, and profits; to collect debts; and to acquire and dispose of property;

(iii) imposing a civil penalty up to $10,000 for each violation; an order of rescission, restitution, or disgorgement directed to a person that has engaged in an act, practice, or course of business constituting a violation of this chapter or a rule adopted or order issued under this chapter or the predecessor act; and
(iv) ordering the payment of prejudgment and postjudgment interest; or

(3) order such other relief as the court considers appropriate.

Subd. 3. **No bond required.** The commissioner may not be required to post a bond in an action or proceeding under this chapter.

Subd. 4. **Commissioner authority.** (a) If the commissioner determines that a person has engaged, is engaged, or is about to engage in an act, practice, or course of conduct constituting a violation of this chapter or a rule adopted or order issued under this chapter or that a person has materially aided, is materially aiding, or is about to materially aid an act, practice, or course of conduct constituting a violation of this chapter or rule adopted or order issued under this chapter the commissioner may:

(1) issue an order directing the person to cease and desist from engaging in the act, practice, or conduct or to take other action necessary or appropriate to comply with this chapter; or

(2) issue an order denying, suspending, revoking, or conditioning the registration of the bullion coin dealer or coin dealer representative.

(b) Upon issuance of an order, the commissioner shall promptly serve each person subject to the order with a copy of the order and a notice that the order has been issued. The order must include a statement of the reasons for the order and whether the commissioner will seek a civil penalty or costs of the investigation, and notice that the person must within 30 days of being served with the order, request in writing a hearing and that within 15 days after receipt of a written hearing request from the person, the matter will be scheduled for a hearing. If a person subject to the order does not request a hearing within 30 days after the date of service of the order, the order becomes final as to that person by operation of law. If a hearing is requested, the commissioner, after notice of an opportunity for hearing to each person subject to the order, may modify or vacate the order or extend it until final determination.

(c) If a hearing is requested pursuant to paragraph (b), a hearing must be held under chapter 14 and a final order may not be issued unless the commissioner makes findings of fact and conclusions of law in a record according to chapter 14. The final order may make final, vacate, or modify the order issued under paragraph (a).

(d) If a petition for judicial review of a final order is not filed in accordance with chapter 14, the commissioner may file a certified copy of the final order with the clerk of a court of competent jurisdiction. The order so filed has the same effect as a judgment of the court and may be recorded, enforced, or satisfied in the same manner as a judgment of the court.

(e) If a person does not comply with an order under this section, the commissioner may petition a court of competent jurisdiction to enforce the order. The court may not require the commissioner to post a bond in an action or proceeding under this section. If the court finds, after service and opportunity for hearing, that the person was not in compliance with the order, the court may adjudge the person in civil contempt of the order. The court may impose a further civil penalty against the person for contempt in an amount up to $10,000 for each violation and may grant any other relief the court determines is just and proper in the circumstances.

(f) In addition to the authority granted under this chapter, the commissioner has all the authority provided under section 45.027 to ensure compliance with this chapter.

Sec. 11. **EFFECTIVE DATE.**

This act is effective August 1, 2013."
Amend the title as follows:

Page 1, line 3, after "and" insert "civil and"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

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

H. F. No. 630, A bill for an act relating to education; providing funding and policy for early childhood and family, prekindergarten through grade 12, and adult education, including general education, student accountability, education excellence, charter schools, special education, facilities, technology, nutrition, libraries, accounting, early childhood, self-sufficiency, lifelong learning, state agencies, and forecast adjustments; authorizing rulemaking; requiring reports; appropriating money; amending Minnesota Statutes 2012, sections 13.319, by adding a subdivision; 15.059, subdivision 5b; 120A.20, subdivision 1; 120A.40; 120A.41; 120B.02; 120B.021, subdivision 1; 120B.023; 120B.024; 120B.125; 120B.128; 120B.30, subdivisions 1, 1a; 120B.31, subdivision 1; 120B.35, subdivision 3; 120B.36, subdivision 1; 121A.22, subdivision 2; 121A.2205; 122A.09, subdivision 4; 122A.18, subdivision 2; 122A.23, subdivision 2; 122A.28, subdivision 1; 122A.33, subdivision 3; 122A.61, subdivision 1; 123B.41, subdivision 7; 123B.54; 123B.88, subdivision 22; 123B.92, subdivisions 1, 5; 124D.02, subdivision 1; 124D.095, subdivision 10; 124D.10; 124D.11, subdivision 5; 124D.111, subdivision 1; 124D.119; 124D.122; 124D.128, subdivision 2; 124D.42; 124D.4531, subdivision 1; 124D.531, subdivision 1; 124D.59, subdivision 2; 124D.61; 124D.79, subdivision 1, by adding a subdivision; 125A.0941; 125A.0942; 125A.11, subdivision 1; 125A.27, subdivisions 8, 11, 14; 125A.28; 125A.29; 125A.30; 125A.32; 125A.33; 125A.35, subdivision 1; 125A.36; 125A.43; 125A.76, subdivisions 1, 4a, 8, by adding subdivisions; 125A.78, subdivision 2; 125A.79, subdivisions 1, 5; 126C.01, by adding a subdivision; 126C.05, subdivisions 1, 15; 126C.10, subdivisions 1, 2, 14, 24, 29, 32; 126C.15, subdivisions 1, 2; 126C.17, subdivisions 1, 5, 6; 126C.40, subdivision 6; 126C.44; 126C.48, subdivision 8; 127A.47, subdivision 7; 128D.11, subdivision 3; 134.32; 134.34; 134.351, subdivisions 3, 7; 134.353; 134.354; 134.355, subdivisions 1, 2, 3, 4, 5, 6; 134.36; 260A.02, subdivision 3; 260A.03; 260A.05, subdivision 1; 260A.07, subdivision 1; Laws 2007, chapter 146, article 4, section 12; Laws 2011, First Special Session chapter 11, article 1, section 36, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as amended, 6, as amended, 7, as amended, 10, as amended; article 2, section 50, subdivisions 2, as amended, 4, as amended, 5, as amended, 6, as amended, 7, as amended, 9, as amended; article 3, section 11, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as amended, 6, as amended, 7, as amended, 9, as amended; article 4, section 10, subdivisions 2, as amended, 3, as amended, 4, as amended, 6, as amended, 7, as amended, 8, as amended, article 5, section 12, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as amended, 6, as amended, 7, as amended, 8, as amended, article 7, section 2, subdivisions 2, as amended, 3, as amended, 4, as amended, 6, as amended, 7, as amended, 8, as amended, article 8, section 2, subdivisions 2, as amended, 3, as amended, 4, as amended, 6, as amended, 7, as amended, 8, as amended, article 9, section 3, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 124D; 126C; proposing coding for new law as Minnesota Statutes, chapter 16F; repealing Minnesota Statutes 2012, sections 124D.454, subdivisions 3, 10, 11; 125A.35, subdivisions 4, 5; 125A.76, subdivisions 2, 4, 5, 7; 125A.79, subdivisions 6, 7; 126C.17, subdivision 13; Minnesota Rules, parts 3501.0010; 3501.0020; 3501.0030, subparts 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16; 3501.0040; 3501.0050; 3501.0060; 3501.0090; 3501.0100; 3501.0110; 3501.0120; 3501.0130; 3501.0140; 3501.0150; 3501.0160; 3501.0170; 3501.0180; 3501.0200; 3501.0210; 3501.0220; 3501.0230; 3501.0240; 3501.0250; 3501.0270; 3501.0280, subparts 1, 2; 3501.0290; 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525; 3501.0530; 3501.0535; 3501.0540; 3501.0545; 3501.0550; 3501.1000; 3501.1020; 3501.1030; 3501.1040; 3501.1050; 3501.1110; 3501.1120; 3501.1130; 3501.1140; 3501.1150; 3501.1160; 3501.1170; 3501.1180; 3501.1190.

Reported the same back with the following amendments:
Page 58, delete sections 1 and 2

Page 59, delete section 3

Page 79, after line 19, insert:

"Sec. 20. [127A.051] SCHOOL CLIMATE COUNCIL.

Subdivision 1. Establishment and membership. (a) A multiagency leadership council is established to improve school climate and school safety so that all Minnesota students in prekindergarten through grade 12 schools and higher education institutions are provided with safe and welcoming learning environments in order to maximize each student's learning potential.

(b) The council shall consist of:

(1) the commissioners or their designees from the Departments of Education, Health, Human Rights, Human Services, Public Safety, and Corrections, and the Office of Higher Education;

(2) one representative each from the Board of Teaching, Board of School Administrators, Minnesota School Boards Association, Elementary School Principals Association, Association of Secondary School Principals, and Education Minnesota as selected by each organization;

(3) two representatives each of student support personnel, parents, and students as selected by the commissioner of education;

(4) two representatives of local law enforcement as selected by the commissioner of public safety;

(5) two representatives of the judicial branch as selected by the chief justice of the Supreme Court; and

(6) one charter school representative selected by the Minnesota Association of Charter Schools.

Subd. 2. Duties. The council must provide leadership for the following activities:

(1) establishment of norms and standards for prevention, intervention, and support around issues of prohibited conduct;

(2) advancement of evidence-based policy and best practices to improve school climate and promote school safety; and

(3) development and dissemination of resources and training for schools and communities about issues of prohibited conduct and other school safety-related issues.

Sec. 21. [127A.052] SCHOOL CLIMATE CENTER.

(a) The commissioner shall establish a school climate center at the department to help districts and schools under section 121A.031 provide a safe and supportive learning environment and foster academic achievement for all students by focusing on prevention, intervention, support, and recovery. The center must work collaboratively with implicated state agencies identified by the center and schools, communities, and interested individuals and organizations to determine how to best use available resources.
(b) The center's services shall include:

(1) evidence-based policy review, development, and dissemination;

(2) single, point-of-contact services for schools, parents, and students seeking information or other help;

(3) qualitative and quantitative data gathering, interpretation, and dissemination of summary data for existing reporting systems and student surveys and the identification and pursuit of emerging trends and issues;

(4) assistance to districts and schools in using Minnesota student survey results to inform intervention and prevention programs;

(5) education and skill building;

(6) multisector and multiagency planning and advisory activities incorporating best practices and research; and

(7) administrative and financial support for school site-based planning, school sites recovering from incidents of violence, and violence prevention education.

(c) The center shall:

(1) compile and make available to all districts and schools evidence-based elements and resources to develop and maintain safe and supportive schools;

(2) establish and maintain a central repository for collecting and analyzing information about prohibited conduct, including but not limited to:

   (i) training materials on strategies and techniques to prevent and appropriately address prohibited conduct;

   (ii) model programming;

   (iii) remedial responses consistent with section 121A.031, subdivision 3, paragraph (g); and

   (iv) other resources for improving the school climate and preventing prohibited conduct;

(3) assist districts and schools to develop strategies and techniques for effectively communicating with and engaging parents in efforts to protect students from prohibited conduct by other students and adults; and

(4) solicit input from social media experts on implementing this section.

(d) The commissioner shall provide administrative services including personnel, budget, payroll and contract services, and staff support for center activities including developing and disseminating materials, providing seminars, and developing and maintaining a Web site. Center staff shall include a center director, a data analyst coordinator, and trainers who provide training to affected state and local organizations under a fee-for-service agreement. The financial, administrative, and staff support the commissioner provides under this section must be based on an annual budget and work program developed by the center and submitted to the commissioner by the center director.

(e) School climate center staff may consult with school safety center staff at the Department of Public Safety in providing services under this section.

EFFECTIVE DATE. This section is effective beginning July 1, 2013.
Page 81, line 16, delete "121A.08" and insert "127A.052"

Page 81, line 19, delete "121A.07" and insert "127A.051"

Page 86, line 31, delete "121A.08" and insert "127A.052"

Renumber the sections in sequence and correct the internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 1301, A bill for an act relating to energy; providing for state energy conservation policies; amending Minnesota Statutes 2012, sections 216B.2401; 216C.05.

Reported the same back with the following amendments:

Page 3, line 1, delete "DEPARTMENT OF COMMERCE; DIVISION OF ENERGY" and insert "REPORT;"

Page 3, delete line 2

Page 3, delete line 3, and insert "The Legislative Energy Commission must conduct"

Page 3, delete line 20

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 1740, A bill for an act relating to transportation; taxes; amending a joint powers board; imposing sales tax; providing for allocation of funds; amending Minnesota Statutes 2012, sections 297A.992; 473.39, subdivisions 1p, 1r, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 297A; repealing Minnesota Statutes 2012, section 473.39, subdivision 1q.

Reported the same back with the following amendments:

Page 1, line 22, delete "six" and insert "four"

Page 2, line 18, delete "(a)"
Page 2, line 20, delete "follows:"

Page 2, line 21, delete "(1)"

Page 2, line 22, delete everything after "to" and insert "......."

Page 2, delete lines 23 to 32

Page 2, line 33, delete "(a)"

Page 3, delete lines 7 to 9

Page 4, delete lines 6 to 16 and insert:

"(d) For grants awarded in each calendar year for 2014 through 2018, the board shall award grants to each minimum guarantee county that is a member of the board, in an amount that is no less than:

(1) one-third of 55 percent; times

(2) the net transit sales tax proceeds for that year; times

(3)(i) the amount of revenue from the state general sales and use taxes under this chapter collected within that county in the previous year, divided by

(ii) the amount of revenue from the state general sales and use taxes under this chapter collected within all metropolitan counties in the previous year."

Page 4, line 35, delete "and"

Page 5, delete lines 1 to 2

Page 5, line 3, delete "infrastructure" and insert:

"(3) annually evaluate and award grants to local units of government including park districts for construction and maintenance of regional bicycle, trail, and pedestrian infrastructure; and

(4) annually evaluate and award grants to cities for planning activities related to land use and transportation linkages, streetcar development, or bicycle and pedestrian connections."

Page 5, delete lines 4 to 6 and insert:

"(d) Grants awarded by the committee under paragraph (c), clauses (3) and (4), are not subject to approval by the board. Annually, the committee shall award grants under those clauses in a total amount that equals no more than 3.75 percent of the net transit sales tax proceeds. Of the grant awards required under this paragraph, at least 80 percent must be for the purposes specified under paragraph (c), clause (3).

(e) The committee may award a grant under paragraph (c), clause (3), only if the project being funded is in compliance with:

(1) a regional nonmotorized transportation system plan developed by the Metropolitan Council; or
(2) a municipal nonmotorized transportation plan, which must provide coordinated development of transportation facilities located in adjacent communities including connections between facilities in each community.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 1742, A bill for an act relating to state government; repealing the Sunset Act; amending Minnesota Statutes 2012, sections 254A.035, subdivision 2; 254A.04; 256B.093, subdivision 1; 260.835, subdivision 2; Laws 2012, chapter 278, article 1, section 5; repealing Minnesota Statutes 2012, sections 3D.01; 3D.02; 3D.03; 3D.04; 3D.045; 3D.05; 3D.06; 3D.065; 3D.07; 3D.08; 3D.09; 3D.10; 3D.11; 3D.12; 3D.13; 3D.14; 3D.15; 3D.16; 3D.17; 3D.18; 3D.19; 3D.20; 3D.21, subdivisions 2, 3, 4, 5, 6, 7, 8; Laws 2012, chapter 278, article 1, section 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 1755, A bill for an act relating to commerce; requiring ownership and control of the University of Minnesota Hospitals by the University of Minnesota or a Minnesota nonprofit; amending Minnesota Statutes 2012, section 158.02.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 1769, A bill for an act relating to the legislature; creating a Legislative Water Commission; prescribing its powers and duties; providing legislative appointments; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 1, line 10, delete "with minority representation proportionate to" and insert ", including two members of the largest minority caucus.”

Page 1, line 11, delete "minority membership in the senate”

Page 1, line 13, delete "with minority representation" and insert ", including two members of the largest minority caucus.”
Page 1, line 14, delete "proportionate to minority membership in the house"

Page 1, line 22, delete "State employees subject"

Page 1, delete lines 23 and 24

Page 2, delete lines 5 and 6

Page 2, line 7, delete "(c)" and insert "(b)"

Page 2, line 9, delete "(d)" and insert "(c)"

Page 2, line 11, delete "(e)" and insert "(d)"

Page 2, line 12, delete "Legislative" and insert "Legislative-Citizen"

Page 2, after line 14, insert:

"Subd. 5. Expiration. This section expires July 1, 2018."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 1775, A bill for an act relating to natural resources; modifying rulemaking authority; amending Minnesota Statutes 2012, section 116G.15, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 116G.15, subdivision 2, is amended to read:

Subd. 2. Administration; duties. (a) The commissioner of natural resources may adopt rules under chapter 14 as are necessary for the administration of the Mississippi River corridor critical area program. Duties of the Environmental Quality Council or the Environmental Quality Board referenced in this chapter, related rules, and the governor's Executive Order No. 79-19, published in the State Register on March 12, 1979, that are related to the Mississippi River corridor critical area shall be the duties of the commissioner. All rules adopted by the board pursuant to these duties remain in effect and shall be enforced until amended or repealed by the commissioner in accordance with law. The commissioner shall work in consultation with the United States Army Corps of Engineers, the National Park Service, the Metropolitan Council, other agencies, and local units of government to ensure that the Mississippi River corridor critical area is managed as a multipurpose resource in a way that:

(1) conserves the scenic, environmental, recreational, mineral, economic, cultural, and historic resources and functions of the river corridor;
(2) maintains the river channel for transportation by providing and maintaining barging and fleeting areas in appropriate locations consistent with the character of the Mississippi River and riverfront;

(3) provides for the continuation and development, and redevelopment of a variety of urban uses, including industrial and commercial uses, and residential uses, where appropriate, within the Mississippi River corridor;

(4) utilizes certain reaches of the river as a source of water supply and as a receiving water for properly treated sewage, storm water, and industrial waste effluents; and

(5) protects and preserves the biological and ecological functions of the corridor.

(b) The Metropolitan Council shall incorporate the standards developed under this section into its planning and shall work with local units of government and the commissioner to ensure the standards are being adopted and implemented appropriately.

(c) The rules must be consistent with residential nonconformity provisions under sections 394.36 and 462.357.

Sec. 2. Minnesota Statutes 2012, section 116G.15, subdivision 3, is amended to read:

Subd. 3. Districts. The commissioner shall establish, by rule, districts within the Mississippi River corridor critical area. The commissioner must seek to determine an appropriate number of districts within any one municipality and take into account municipal plans and policies, and existing ordinances and conditions. The commissioner shall consider the following when establishing the districts:

(1) the protection of the major features of the river in existence as of March 12, 1979;

(2) the protection of improvements such as parks, trails, natural areas, recreational areas, and interpretive centers;

(3) the use of the Mississippi River as a source of drinking water;

(4) the protection of resources identified in the Mississippi National River and Recreation Area Comprehensive Management Plan;

(5) the protection of resources identified in comprehensive plans developed by counties, cities, and towns within the Mississippi River corridor critical area; and

(6) the intent of the Mississippi River corridor critical area land use districts from the governor’s Executive Order No. 79-19, published in the State Register on March 12, 1979; and

(7) identified scenic, geologic, and ecological resources.

Sec. 3. Minnesota Statutes 2012, section 116G.15, subdivision 4, is amended to read:

Subd. 4. Standards. (a) The commissioner shall establish, by rule, minimum guidelines and standards for the districts established in subdivision 3. The guidelines and standards for each district shall include the intent of each district and key resources and features to be protected or enhanced based upon paragraph (b). The commissioner must take into account municipal plans and policies, and existing ordinances and conditions when developing the guidelines in this section. The commissioner may provide certain exceptions and criteria for standards, including, but not limited to, exceptions for river access facilities, water supply facilities, storm water facilities, and wastewater treatment facilities, and hydropower facilities.
(b) The guidelines and standards must protect or enhance the following key resources and features:

1. floodplains;
2. wetlands;
3. gorges;
4. areas of confluence with key tributaries;
5. natural drainage routes;
6. shorelines and riverbanks;
7. bluffs;
8. steep slopes and very steep slopes;
9. unstable soils and bedrock;
10. significant existing vegetative stands, tree canopies, and native plant communities;
11. scenic views and vistas;
12. publicly owned parks, trails, and open spaces;
13. cultural and historic sites and structures; and
14. water quality.

(c) The commissioner shall establish a map to define bluffs and bluff-related features within the Mississippi River corridor critical area. At the outset of the rulemaking process, the commissioner shall create a preliminary map of all the bluffs and bluff lines within the Mississippi River corridor critical area, based on the guidelines in paragraph (d). The rulemaking process shall provide an opportunity to refine the preliminary bluff map. The commissioner may add to or remove areas of demonstrably unique or atypical conditions that warrant special protection or exemption. At the end of the rulemaking process, the commissioner shall adopt a final bluff map that contains associated features, including bluff lines, bases of bluffs, steep slopes, and very steep slopes.

(d) The following guidelines shall be used by the commissioner to create a preliminary bluff map as part of the rulemaking process:

1. "bluff face" or "bluff" means the area between the bluff line and the bluff base. A high, steep, natural topographic feature such as a broad hill, cliff, or embankment with a slope of 18 percent or greater and a vertical rise of at least ten feet between the bluff base and the bluff line;

2. "bluff line" means a line delineating the top of a slope connecting the points at which the slope becomes less than 18 percent. More than one bluff line may be encountered proceeding upslope from the river valley;

3. "base of the bluff" means a line delineating the bottom of a slope connecting the points at which the slope becomes 18 percent or greater. More than one bluff base may be encountered proceeding landward from the water;
(4) "steep slopes" means 12 percent to 18 percent slopes. Steep slopes are natural topographic features with an average slope of 12 to 18 percent measured over a horizontal distance of 50 feet or more; and

(5) "very steep slopes" means slopes 18 percent or greater. Very steep slopes are natural topographic features with an average slope of 18 percent or greater, measured over a horizontal distance of 50 feet or more.

Sec. 4. Minnesota Statutes 2012, section 116G.15, subdivision 7, is amended to read:

Subd. 7. Rules. The commissioner shall adopt rules to ensure compliance with this section. By January 15, 2010, the commissioner shall begin the rulemaking required by this section under chapter 14. Notwithstanding sections 14.125 and 14.128, the authority to adopt these rules does not expire.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2009.

Delete the title and insert:

"A bill for an act relating to natural resources; modifying Mississippi River corridor critical area provisions; amending Minnesota Statutes 2012, section 116G.15, subdivisions 2, 3, 4, 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Lesch from the Committee on Civil Law to which was referred:

H. F. No. 1780, A bill for an act relating to state government; modifying certain health and human services data practices provisions; establishing community first services and supports and Northstar Care for Children; modifying provisions relating to vital records, reporting suspected maltreatment, child custody, background studies, and fraud investigations; program integrity: waiver provider standards; licensing home care providers; establishing penalties; establishing an advisory council; licensing alkaline hydrolysis facilities; establishing a state-based risk adjustment system assessment; amending Minnesota Statutes 2012, sections 144.051, by adding subdivisions; 144.212; 144.213; 144.215, subdivisions 3, 4; 144.216, subdivision 1; 144.217, subdivision 2; 144.218, subdivision 5; 144.225; 144.226; 243.166, subdivision 7; 245A.11, subdivision 7b; 245C.04, by adding a subdivision; 245C.08, subdivision 1; 245D.05; 245D.06; 245D.10; 257.75, subdivision 7; 260C.635, subdivision 1; 517.001; 626.557, subdivisions 4, 9, 9e; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 149A; 245D; 256B.

Reported the same back with the following amendments:

Page 52, delete section 6 and insert:

"Sec. 6. [144A.472] HOME CARE PROVIDER LICENSE; APPLICATION AND RENEWAL.

Subdivision 1. License applications. Each application for a home care provider license must include information sufficient to show that the applicant meets the requirements of licensure, including:

(1) the applicant's name, e-mail address, physical address, and mailing address, including the name of the county in which the applicant resides and has a principal place of business;"
(2) the initial license fee in the amount specified in subdivision 7;

(3) the e-mail address, physical address, mailing address, and telephone number of the principal administrative office;

(4) the e-mail address, physical address, mailing address, and telephone number of each branch office, if any;

(5) the names, e-mail and mailing addresses, and telephone numbers of all owners and managerial officials:

(6) documentation of compliance with the background study requirements of section 144A.476 for all persons involved in the management, operation, or control of the home care provider;

(7) documentation of a background study as required by section 144.057 for any individual seeking employment, paid or volunteer, with the home care provider;

(8) evidence of workers' compensation coverage as required by sections 176.181 and 176.182;

(9) documentation of liability coverage, if the provider has it;

(10) identification of the license level the provider is seeking;

(11) documentation that identifies the managerial official who is in charge of day-to-day operations and attestation that the person has reviewed and understands the home care provider regulations;

(12) documentation that the applicant has designated one or more owners, managerial officials, or employees as an agent or agents, which shall not affect the legal responsibility of any other owner or managerial official under this chapter;

(13) the signature of the officer or managing agent on behalf of an entity, corporation, association, or unit of government;

(14) verification that the applicant has the following policies and procedures in place so that if a license is issued, the applicant will implement the policies and procedures and keep them current:

(i) requirements in sections 626.556, reporting of maltreatment of minors, and 626.557, reporting of maltreatment of vulnerable adults;

(ii) conducting and handling background studies on employees;

(iii) orientation, training, and competency evaluations of home care staff, and a process for evaluating staff performance;

(iv) handling complaints from clients, family members, or client representatives regarding staff or services provided by staff;

(v) conducting initial evaluation of clients' needs and the providers' ability to provide those services;

(vi) conducting initial and ongoing client evaluations and assessments and how changes in a client's condition are identified, managed, and communicated to staff and other health care providers as appropriate;

(vii) orientation to and implementation of the home care client bill of rights;

(viii) infection control practices;
(ix) reminders for medications, treatments, or exercises, if provided; and

(x) conducting appropriate screenings, or documentation of prior screenings, to show that staff are free of tuberculosis, consistent with current United States Centers for Disease Control and Prevention standards; and

(15) other information required by the department.

Subd. 2. Comprehensive home care license applications. In addition to the information and fee required in subdivision 1, applicants applying for a comprehensive home care license must also provide verification that the applicant has the following policies and procedures in place so that if a license is issued, the applicant will implement the policies and procedures in this subdivision and keep them current:

(1) conducting initial and ongoing assessments of the client's needs by a registered nurse or appropriate licensed health professional, including how changes in the client's conditions are identified, managed, and communicated to staff and other health care providers, as appropriate;

(2) ensuring that nurses and licensed health professionals have current and valid licenses to practice;

(3) medication and treatment management;

(4) delegation of home care tasks by registered nurses or licensed health professionals;

(5) supervision of registered nurses and licensed health professionals; and

(6) supervision of unlicensed personnel performing delegated home care tasks.

Subd. 3. License renewal. (a) Except as provided in section 144A.475, a license may be renewed for a period of one year if the licensee satisfies the following:

(1) submits an application for renewal in the format provided by the commissioner at least 30 days before expiration of the license;

(2) submits the renewal fee in the amount specified in subdivision 7;

(3) has provided home care services within the past 12 months;

(4) complies with sections 144A.43 to 144A.4799;

(5) provides information sufficient to show that the applicant meets the requirements of licensure, including items required under subdivision 1;

(6) provides verification that all policies under subdivision 1 are current; and

(7) provides any other information deemed necessary by the commissioner.

(b) A renewal applicant who holds a comprehensive home care license must also provide verification that policies listed under subdivision 2 are current.

Subd. 4. Multiple units. Multiple units or branches of a licensee must be separately licensed if the commissioner determines that the units cannot adequately share supervision and administration of services from the main office.
Subd. 5. Transfers prohibited; changes in ownership. Any home care license issued by the commissioner may not be transferred to another party. Before acquiring ownership of a home care provider business, a prospective applicant must apply for a new temporary license. A change of ownership is a transfer of operational control to a different business entity and includes:

(1) transfer of the business to a different or new corporation;

(2) in the case of a partnership, the dissolution or termination of the partnership under chapter 323A, with the business continuing by a successor partnership or other entity;

(3) relinquishment of control of the provider to another party, including to a contract management firm that is not under the control of the owner of the business' assets;

(4) transfer of the business by a sole proprietor to another party or entity; or

(5) in the case of a privately held corporation, the change in ownership or control of 50 percent or more of the outstanding voting stock.

Subd. 6. Notification of changes of information. The temporary licensee or licensee shall notify the commissioner in writing within ten working days after any change in the information required in subdivision 1, except the information required in subdivision 1, clause (5), is required at the time of license renewal.

Subd. 7. Fees; application, change of ownership, and renewal. (a) An initial applicant seeking a temporary home care licensure must submit the following application fee to the commissioner along with a completed application:

(1) basic home care provider, $2,100; or

(2) comprehensive home care provider, $4,200.

(b) A home care provider who is filing a change of ownership as required under subdivision 5 must submit the following application fee to the commissioner, along with the documentation required for the change of ownership:

(1) basic home care provider, $2,100; or

(2) comprehensive home care provider, $4,200.

(c) A home care provider who is seeking to renew the provider's license shall pay a fee to the commissioner based on revenues derived from the provision of home care services during the calendar year prior to the year in which the application is submitted, according to the following schedule:

<table>
<thead>
<tr>
<th>License Renewal Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider Annual Revenue</td>
</tr>
<tr>
<td>greater than $1,500,000</td>
</tr>
<tr>
<td>greater than $1,275,000 and no more than $1,500,000</td>
</tr>
<tr>
<td>greater than $1,100,000 and no more than $1,275,000</td>
</tr>
<tr>
<td>greater than $950,000 and no more than $1,100,000</td>
</tr>
<tr>
<td>greater than $850,000 and no more than $950,000</td>
</tr>
<tr>
<td>greater than $750,000 and no more than $850,000</td>
</tr>
</tbody>
</table>
greater than $650,000 and no more than $750,000  $2,898
greater than $550,000 and no more than $650,000  $2,485
greater than $450,000 and no more than $550,000  $2,070
greater than $350,000 and no more than $450,000  $1,656
greater than $250,000 and no more than $350,000  $1,242
greater than $100,000 and no more than $250,000  $828
greater than $50,000 and no more than $100,000  $500
greater than $25,000 and no more than $50,000  $400
  no more than $25,000  $200

(d) If requested, the home care provider shall provide the commissioner information to verify the provider's annual revenues or other information as needed, including copies of documents submitted to the Department of Revenue.

(e) At each annual renewal, a home care provider may elect to pay the highest renewal fee for its license category, and not provide annual revenue information to the commissioner.

(f) A temporary license or license applicant, or temporary licensee or licensee that knowingly provides the commissioner incorrect revenue amounts for the purpose of paying a lower license fee, shall be subject to a civil penalty in the amount of double the fee the provider should have paid.

(g) Fees and penalties collected under this section shall be deposited in the state treasury and credited to the special state government revenue fund.

(h) The license renewal fee schedule in this subdivision is effective July 1, 2016.

Page 58, delete section 8 and insert:

"Sec. 8. [144A.474] SURVEYS AND INVESTIGATIONS.

Subdivision 1. Surveys. The commissioner shall conduct surveys of each home care provider. By June 30, 2016, the commissioner shall conduct a survey of home care providers on a frequency of at least once every three years. Survey frequency may be based on the license level, the provider's compliance history, number of clients served, or other factors as determined by the department deemed necessary to ensure the health, safety, and welfare of clients and compliance with the law.

Subd. 2. Types of home care surveys. (a) "Initial full survey" means the survey of a new temporary licensee conducted after the department is notified or has evidence that the licensee is providing home care services to determine if the provider is in compliance with home care requirements. Initial full surveys must be completed within 14 months after the department's issuance of a temporary basic or comprehensive license.

(b) "Core survey" means periodic inspection of home care providers to determine ongoing compliance with the home care requirements, focusing on the essential health and safety requirements. Core surveys are available to licensed home care providers who have been licensed for three years and surveyed at least once in the past three years with the latest survey having no widespread violations beyond Level 1 as provided in subdivision 11. Providers must also not have had any substantiated licensing complaints, substantiated complaints against the agency under the Vulnerable Adults Act or Maltreatment of Minors Act, or an enforcement action as authorized in section 144A.475 in the past three years.

(1) The core survey for basic license level providers shall review compliance in the following areas:

(i) reporting of maltreatment:
(ii) orientation to and implementation of Home Care Client Bill of Rights;

(iii) statement of home care services;

(iv) initial evaluation of clients and initiation of services;

(v) basic license level client review and monitoring;

(vi) service plan implementation and changes to the service plan;

(vii) client complaint and investigative process;

(viii) competency of unlicensed personnel; and

(ix) infection control.

(2) For comprehensive license level providers, the core survey shall include everything in the basic license level core survey plus these areas:

(i) delegation to unlicensed personnel;

(ii) assessment, monitoring, and reassessment of clients; and

(iii) medication, treatment, and therapy management.

(c) "Full survey" means the periodic inspection of home care providers to determine ongoing compliance with the home care requirements that cover the core survey areas and all the legal requirements for home care providers. A full survey is conducted for all temporary licensees and for providers who do not meet the requirements needed for a core survey, and when a surveyor identifies unacceptable client health or safety risks during a core survey. A full survey shall include all the tasks identified as part of the core survey and any additional review deemed necessary by the department, including additional observation, interviewing, or records review of additional clients and staff.

(d) "Follow-up surveys" means surveys conducted to determine if a home care provider has corrected deficient issues and systems identified during a core survey, full survey, or complaint investigation. Follow-up surveys may be conducted via phone, e-mail, fax, mail, or on-site reviews. Follow-up surveys, other than complaint surveys, shall be concluded with an exit conference and written information provided on the process for requesting a reconsideration of the survey results.

(e) Upon receiving information that a home care provider has violated or is currently violating a requirement of sections 144A.43 to 144A.482, the commissioner shall investigate the complaint according to sections 144A.51 to 144A.54.

Subd. 3. Survey process. (a) The survey process for core surveys shall include the following as applicable to the particular licensee and setting surveyed:

(1) presurvey review of pertinent documents and notification to the ombudsman for long-term care;

(2) an entrance conference with available staff;
(3) communication with managerial officials or the registered nurse in charge, if available, and ongoing communication with key staff throughout the survey regarding information needed by the surveyor, clarifications regarding home care requirements, and applicable standards of practice;

(4) presentation of written contact information to the provider about the survey staff conducting the survey, the supervisor, and the process for requesting a reconsideration of the survey results;

(5) a brief tour of a sample of the housing with services establishments in which the provider is providing home care services;

(6) a sample selection of home care clients;

(7) information-gathering through client and staff observations, client and staff interviews, and reviews of records, policies, procedures, practices, and other agency information;

(8) interviews of clients' family members, if available, with clients' consent when the client can legally give consent;

(9) except for complaint surveys conducted by the Office of Health Facilities Complaints, an exit conference, with preliminary findings shared and discussed with the provider and written information provided on the process for requesting a reconsideration of the survey results; and

(10) postsurvey analysis of findings and formulation of survey results, including correction orders when applicable.

Subd. 4. Scheduling surveys. Surveys and investigations shall be conducted without advance notice to home care providers. Surveyors may contact the home care provider on the day of a survey to arrange for someone to be available at the survey site. The contact does not constitute advance notice.

Subd. 5. Information provided by home care provider. The home care provider shall provide accurate and truthful information to the department during a survey, investigation, or other licensing activities.

Subd. 6. Providing client records. Upon request of a surveyor, home care providers shall provide a list of current and past clients or client representatives that includes addresses and telephone numbers and any other information requested about the services to clients within a reasonable period of time.

Subd. 7. Contacting and visiting clients. Surveyors may contact or visit a home care provider's clients to gather information without notice to the home care provider. Before visiting a client, a surveyor shall obtain the client's or client's representative's permission by telephone, mail, or in person. Surveyors shall inform all clients or client's representatives of their right to decline permission for a visit.

Subd. 8. Correction orders. (a) A correction order may be issued whenever the commissioner finds upon survey or during a complaint investigation that a home care provider, a managerial official, or an employee of the provider is not in compliance with sections 144A.43 to 144A.482. The correction order shall cite the specific statute and document areas of noncompliance and the time allowed for correction.

(b) The commissioner shall mail copies of any correction order within 30 calendar days after an exit survey to the last known address of the home care provider. A copy of each correction order and copies of any documentation supplied to the commissioner shall be kept on file by the home care provider, and public documents shall be made available for viewing by any person upon request. Copies may be kept electronically.
(c) By the correction order date, the home care provider must document in the provider's records any action taken to comply with the correction order. The commissioner may request a copy of this documentation and the home care provider's action to respond to the correction order in future surveys, upon a complaint investigation, and as otherwise needed.

Subd. 9. Follow-up surveys. For providers that have Level 3 or Level 4 violations, under subdivision 11, or any violations determined to be widespread, the department shall conduct a follow-up survey within 90 calendar days of the survey. When conducting a follow-up survey, the surveyor will focus on whether the previous violations have been corrected and may also address any new violations that are observed while evaluating the corrections that have been made. If a new violation is identified on a follow-up survey, no fine will be imposed unless it is not corrected on the next follow-up survey.

Subd. 10. Performance incentive. A licensee is eligible for a performance incentive if there are no violations identified in a core or full survey. The performance incentive is a ten percent discount on the licensee's next home care renewal license fee.

Subd. 11. Fines. (a) Fines and enforcement actions under this subdivision may be assessed based on the level and scope of the violations described in paragraph (c) as follows:

(1) Level 1, no fines or enforcement;

(2) Level 2, fines ranging from $0 to $500, in addition to any of the enforcement mechanisms authorized in section 144A.475 for widespread violations;

(3) Level 3, fines ranging from $500 to $1,000, in addition to any of the enforcement mechanisms authorized in section 144A.475; and

(4) Level 4, fines ranging from $1,000 to $5,000, in addition to any of the enforcement mechanisms authorized in section 144A.475.

(b) Correction orders for violations are categorized by both level and scope and fines shall be assessed as follows:

(1) Level of violation:

(i) Level 1 is a violation that has no potential to cause more than a minimal impact on the client and does not affect health or safety;

(ii) Level 2 is a violation that did not harm a client's health or safety but had the potential to have harmed a client's health or safety, but was not likely to cause serious injury, impairment, or death;

(iii) Level 3 is a violation that harmed a client's health or safety, not including serious injury, impairment, or death, or a violation that has the potential to lead to serious injury, impairment, or death; and

(iv) Level 4 is a violation that results in serious injury, impairment, or death.

(2) Scope of violation:

(i) Isolated, when one or a limited number of clients are affected or one or a limited number of staff are involved or the situation has occurred only occasionally;
(ii) Pattern, when more than a limited number of clients are affected, more than a limited number of staff are involved, or the situation has occurred repeatedly but is not found to be pervasive; and

(iii) Widespread, when problems are pervasive or represent a systemic failure that has affected or has the potential to affect a large portion or all of the clients.

(c) If the commissioner finds that the applicant or a home care provider required to be licensed under sections 144A.43 to 144A.482 has not corrected violations by the date specified in the correction order or conditional license resulting from a survey or complaint investigation, the commissioner may impose a fine. A notice of noncompliance with a correction order must be mailed to the applicant's or provider's last known address. The noncompliance notice must list the violations not corrected.

(d) The license holder must pay the fines assessed on or before the payment date specified. If the license holder fails to fully comply with the order, the commissioner may issue a second fine or suspend the license until the license holder complies by paying the fine. A timely appeal shall stay payment of the fine until the commissioner issues a final order.

(e) A license holder shall promptly notify the commissioner in writing when a violation specified in the order is corrected. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order, the commissioner may issue a second fine. The commissioner shall notify the license holder by mail to the last known address in the licensing record that a second fine has been assessed. The license holder may appeal the second fine as provided under this subdivision.

(f) A home care provider that has been assessed a fine under this subdivision has a right to a reconsideration or a hearing under this section and chapter 14.

(g) When a fine has been assessed, the license holder may not avoid payment by closing, selling, or otherwise transferring the licensed program to a third party. In such an event, the license holder shall be liable for payment of the fine.

(h) In addition to any fine imposed under this section, the commissioner may assess costs related to an investigation that results in a final order assessing a fine or other enforcement action authorized by this chapter.

(i) Fines collected under this subdivision shall be deposited in the state government special revenue fund and credited to an account separate from the revenue collected under section 144A.472. Subject to an appropriation by the legislature, the revenue from the fines collected may be used by the commissioner for special projects to improve home care in Minnesota as recommended by the advisory council established in section 144A.4799.

Subd. 12. Reconsideration. (a) The commissioner shall make available to home care providers a correction order reconsideration process. This process may be used to challenge the correction order issued, including the level and scope described in subdivision 11, and any fine assessed. During the correction order reconsideration request, the issuance for the correction orders under reconsideration are not stayed, but the department shall post information on the Web site with the correction order that the licensee has requested a reconsideration and that the review is pending.

(b) A licensed home care provider may request from the commissioner, in writing, a correction order reconsideration regarding any correction order issued to the provider. The correction order reconsideration shall not be reviewed by any surveyor, investigator, or supervisor that participated in the writing or reviewing of the correction order being disputed. The correction order reconsiderations may be conducted in person, by telephone, by another electronic form, or in writing, as determined by the commissioner. The commissioner shall respond in writing to the request from a home care provider for a correction order reconsideration within 60 days of the date the provider requests a reconsideration. The commissioner's response shall identify the commissioner's decision regarding each citation challenged by the home care provider.
(c) The findings of a correction order reconsideration process shall be one or more of the following:

(1) supported in full, the correction order is supported in full, with no deletion of findings to the citation;

(2) supported in substance, the correction order is supported, but one or more findings are deleted or modified without any change in the citation;

(3) correction order cited an incorrect home care licensing requirement, the correction order is amended by changing the correction order to the appropriate statutory reference;

(4) correction order was issued under an incorrect citation, the correction order is amended to be issued under the more appropriate correction order citation;

(5) the correction order is rescinded;

(6) fine is amended, it is determined that the fine assigned to the correction order was applied incorrectly; or

(7) the level or scope of the citation is modified based on the reconsideration.

(d) If the correction order findings are changed by the commissioner, the commissioner shall update the correction order Web site.

Subd. 13. Home care surveyor training. (a) Before conducting a home care survey, each home care surveyor must receive training on the following topics:

(1) Minnesota home care licensure requirements;

(2) Minnesota Home Care Client Bill of Rights;

(3) Minnesota Vulnerable Adults Act and reporting of maltreatment of minors;

(4) principles of documentation;

(5) survey protocol and processes;

(6) Offices of the Ombudsman roles;

(7) Office of Health Facility Complaints;

(8) Minnesota landlord-tenant and housing with services laws;

(9) types of payors for home care services; and

(10) Minnesota Nurse Practice Act for nurse surveyors.

(b) Materials used for the training in paragraph (a) shall be posted on the department Web site. Requisite understanding of these topics will be reviewed as part of the quality improvement plan in section 28."
Page 76, delete section 15 and insert:

"Sec. 15. [144A.4792] MEDICATION MANAGEMENT.

Subdivision 1. Medication management services; comprehensive home care license. (a) This subdivision applies only to home care providers with a comprehensive home care license that provides medication management services to clients. Medication management services may not be provided by a home care provider that has a basic home care license. (b) A comprehensive home care provider who provides medication management services must develop, implement, and maintain current written medication management policies and procedures. The policies and procedures must be developed under the supervision and direction of a registered nurse, licensed health professional, or pharmacist consistent with current practice standards and guidelines.

(c) The written policies and procedures must address requesting and receiving prescriptions for medications; preparing and giving medications; verifying that prescription drugs are administered as prescribed; documenting medication management activities; controlling and storing medications; monitoring and evaluating medication use; resolving medication errors; communicating with the prescriber, pharmacist, and client and client representative, if any; disposing of unused medications; and educating clients and client representatives about medications. When controlled substances are being managed, the policies and procedures must also identify how the provider will ensure security and accountability for the overall management, control, and disposition of those substances in compliance with state and federal regulations and with subdivision 22.

Subd. 2. Provision of medication management services. (a) For each client who requests medication management services, the comprehensive home care provider shall, prior to providing medication management services, have a registered nurse, licensed health professional, or authorized prescriber under section 151.37 conduct an assessment to determine what medication management services will be provided and how the services will be provided. This assessment must be conducted face-to-face with the client. The assessment must include an identification and review of all medications the client is known to be taking. The review and identification must include indications for medications, side effects, contraindications, allergic or adverse reactions, and actions to address these issues.

(b) The assessment must identify interventions needed in management of medications to prevent diversion of medication by the client or others who may have access to the medications. "Diversion of medications" means the misuse, theft, or illegal or improper disposition of medications.

Subd. 3. Individualized medication monitoring and reassessment. The comprehensive home care provider must monitor and reassess the client's medication management services as needed under subdivision 14 when the client presents with symptoms or other issues that may be medication-related and, at a minimum, annually.

Subd. 4. Client refusal. The home care provider must document in the client's record any refusal for an assessment for medication management by the client. The provider must discuss with the client the possible consequences of the client's refusal and document the discussion in the client's record.

Subd. 5. Individualized medication management plan. (a) For each client receiving medication management services, the comprehensive home care provider must prepare and include in the service plan a written statement of the medication management services that will be provided to the client. The provider must develop and maintain a current individualized medication management record for each client based on the client's assessment that must contain the following:

(1) a statement describing the medication management services that will be provided;
(2) a description of storage of medications based on the client's needs and preferences, risk of diversion, and consistent with the manufacturer's directions;

(3) documentation of specific client instructions relating to the administration of medications;

(4) identification of persons responsible for monitoring medication supplies and ensuring that medication refills are ordered on a timely basis;

(5) identification of medication management tasks that may be delegated to unlicensed personnel;

(6) procedures for staff notifying a registered nurse or appropriate licensed health professional when a problem arises with medication management services; and

(7) any client-specific requirements relating to documenting medication administration, verifications that all medications are administered as prescribed, and monitoring of medication use to prevent possible complications or adverse reactions.

(b) The medication management record must be current and updated when there are any changes.

Subd. 6. Administration of medication. Medications may be administered by a nurse, physician, or other licensed health practitioner authorized to administer medications or by unlicensed personnel who have been delegated medication administration tasks by a registered nurse.

Subd. 7. Delegation of medication administration. When administration of medications is delegated to unlicensed personnel, the comprehensive home care provider must ensure that the registered nurse has:

(1) instructed the unlicensed personnel in the proper methods to administer the medications, and the unlicensed personnel has demonstrated ability to competently follow the procedures;

(2) specified, in writing, specific instructions for each client and documented those instructions in the client's records; and

(3) communicated with the unlicensed personnel about the individual needs of the client.

Subd. 8. Documentation of administration of medications. Each medication administered by comprehensive home care provider staff must be documented in the client's record. The documentation must include the signature and title of the person who administered the medication. The documentation must include the medication name, dosage, date and time administered, and method and route of administration. The staff must document the reason why medication administration was not completed as prescribed and document any follow-up procedures that were provided to meet the client's needs when medication was not administered as prescribed and in compliance with the client's medication management plan.

Subd. 9. Documentation of medication set-up. Documentation of dates of medication set-up, name of medication, quantity of dose, times to be administered, route of administration, and name of person completing medication set-up must be done at time of set-up.

Subd. 10. Medication management for clients who will be away from home. (a) A home care provider that is providing medication management services to the client and controls the client's access to the medications must develop and implement policies and procedures for giving accurate and current medications to clients for planned or unplanned times away from home according to the client's individualized medication management plan. The policy and procedures must state that:
(1) for planned time away, the medications must be obtained from the pharmacy or set up by the registered nurse according to appropriate state and federal laws and nursing standards of practice;

(2) for unplanned time away, when the pharmacy is not able to provide the medications, a licensed nurse or unlicensed personnel shall give the client or client's representative medications in amounts and dosages needed for the length of the anticipated absence, not to exceed 120 hours;

(3) the client, or the client’s representative, must be provided written information on medications, including any special instructions for administering or handling the medications, including controlled substances;

(4) the medications must be placed in a medication container or containers appropriate to the provider’s medication system and must be labeled with the client's name and the dates and times that the medications are scheduled; and

(5) the client or client’s representative must be provided in writing the home care provider’s name and information on how to contact the home care provider.

(b) For unplanned time away when the licensed nurse is not available, the registered nurse may delegate this task to unlicensed personnel if:

(1) the registered nurse has trained the unlicensed staff and determined the unlicensed staff is competent to follow the procedures for giving medications to clients;

(2) the registered nurse has developed written procedures for the unlicensed personnel, including any special instructions or procedures regarding controlled substances that are prescribed for the client. The procedures must address:

(i) the type of container or containers to be used for the medications appropriate to the provider's medication system;

(ii) how the container or containers must be labeled;

(iii) the written information about the medications to be given to the client or client's representative;

(iv) how the unlicensed staff must document in the client's record that medications have been given to the client or the client’s representative, including documenting the date the medications were given to the client or the client's representative and who received the medications, the person who gave the medications to the client, the number of medications that were given to the client, and other required information;

(v) how the registered nurse shall be notified that medications have been given to the client or client's representative and whether the registered nurse needs to be contacted before the medications are given to the client or the client's representative; and

(vi) a review by the registered nurse of the completion of this task to verify that this task was completed accurately by the unlicensed personnel.

Subd. 11. Prescribed and nonprescribed medication. The comprehensive home care provider must determine whether the comprehensive home care provider shall require a prescription for all medications the provider manages. The comprehensive home care provider must inform the client or the client's representative whether the comprehensive home care provider requires a prescription for all over-the-counter and dietary supplements before the comprehensive home care provider agrees to manage those medications.
Subd. 12. **Medications; over-the-counter; dietary supplements not prescribed.** A comprehensive home care provider providing medication management services for over-the-counter drugs or dietary supplements must retain those items in the original labeled container with directions for use prior to setting up for immediate or later administration. The provider must verify that the medications are up-to-date and stored as appropriate.

Subd. 13. **Prescriptions.** There must be a current written or electronically recorded prescription as defined in Minnesota Rules, part 6800.0100, subpart 11a, for all prescribed medications that the comprehensive home care provider is managing for the client.

Subd. 14. **Renewal of prescriptions.** Prescriptions must be renewed at least every 12 months or more frequently as indicated by the assessment in subdivision 2. Prescriptions for controlled substances must comply with chapter 152.

Subd. 15. **Verbal prescription orders.** Verbal prescription orders from an authorized prescriber must be received by a nurse or pharmacist. The order must be handled according to Minnesota Rules, part 6800.6200.

Subd. 16. **Written or electronic prescription.** When a written or electronic prescription is received, it must be communicated to the registered nurse in charge and recorded or placed in the client's record.

Subd. 17. **Records confidential.** A prescription or order received verbally, in writing, or electronically must be kept confidential according to sections 144.291 to 144.298 and 144A.44.

Subd. 18. **Medications provided by client or family members.** When the comprehensive home care provider is aware of any medications or dietary supplements that are being used by the client and are not included in the assessment for medication management services, the staff must advise the registered nurse and document that in the client's record.

Subd. 19. **Storage of medications.** A comprehensive home care provider providing storage of medications outside of the client's private living space must store all prescription medications in securely locked and substantially constructed compartments according to the manufacturer's directions and permit only authorized personnel to have access.

Subd. 20. **Prescription drugs.** A prescription drug, prior to being set up for immediate or later administration, must be kept in the original container in which it was dispensed by the pharmacy bearing the original prescription label with legible information including the expiration or beyond-use date of a time-dated drug.

Subd. 21. **Prohibitions.** No prescription drug supply for one client may be used or saved for use by anyone other than the client.

Subd. 22. **Disposition of medications.** (a) Any current medications being managed by the comprehensive home care provider must be given to the client or the client's representative when the client's service plan ends or medication management services are no longer part of the service plan. Medications that have been stored in the client's private living space for a client that is deceased or that have been discontinued or that have expired may be given to the client or the client's representative for disposal.

(b) The comprehensive home care provider will dispose of any medications remaining with the comprehensive home care provider that are discontinued or expired or upon the termination of the service contract or the client's death according to state and federal regulations for disposition of medications and controlled substances.
(c) Upon disposition, the comprehensive home care provider must document in the client's record the disposition of the medication including the medication's name, strength, prescription number as applicable, quantity, to whom the medications were given, date of disposition, and names of staff and other individuals involved in the disposition.

Subd. 23. **Loss or spillage.** (a) Comprehensive home care providers providing medication management must develop and implement procedures for loss or spillage of all controlled substances defined in Minnesota Rules, part 6800.4220. These procedures must require that when a spillage of a controlled substance occurs, a notation must be made in the client's record explaining the spillage and the actions taken. The notation must be signed by the person responsible for the spillage and include verification that any contaminated substance was disposed of according to state or federal regulations.

(b) The procedures must require the comprehensive home care provider of medication management to investigate any known loss or unaccounted for prescription drugs and take appropriate action required under state or federal regulations and document the investigation in required records.”

Page 81, delete section 16 and insert:

"Sec. 16. [144A.4793] TREATMENT AND THERAPY MANAGEMENT SERVICES.

Subdivision 1. **Providers with a comprehensive home care license.** This section applies only to home care providers with a comprehensive home care license that provide treatment or therapy management services to clients. Treatment or therapy management services cannot be provided by a home care provider that has a basic home care license.

Subd. 2. **Policies and procedures.** (a) A comprehensive home care provider who provides treatment and therapy management services must develop, implement, and maintain up-to-date written treatment or therapy management policies and procedures. The policies and procedures must be developed under the supervision and direction of a registered nurse or appropriate licensed health professional consistent with current practice standards and guidelines.

(b) The written policies and procedures must address requesting and receiving orders or prescriptions for treatments or therapies, providing the treatment or therapy, documenting of treatment or therapy activities, educating and communicating with clients about treatments or therapy they are receiving, monitoring and evaluating the treatment and therapy, and communicating with the prescriber.

Subd. 3. **Individualized treatment or therapy management plan.** For each client receiving management of ordered or prescribed treatments or therapy services, the comprehensive home care provider must prepare and include in the service plan a written statement of the treatment or therapy services that will be provided to the client. The provider must also develop and maintain a current individualized treatment and therapy management record for each client which must contain at least the following:

(1) a statement of the type of services that will be provided;

(2) documentation of specific client instructions relating to the treatments or therapy administration;

(3) identification of treatment or therapy tasks that will be delegated to unlicensed personnel;

(4) procedures for notifying a registered nurse or appropriate licensed health professional when a problem arises with treatments or therapy services; and

(5) any client-specific requirements relating to documentation of treatment and therapy received, verification that all treatment and therapy was administered as prescribed, and monitoring of treatment or therapy to prevent possible complications or adverse reactions. The treatment or therapy management record must be current and updated when there are any changes.
Subd. 4. **Administration of treatments and therapy.** Ordered or prescribed treatments or therapies must be administered by a nurse, physician, or other licensed health professional authorized to perform the treatment or therapy, or may be delegated or assigned to unlicensed personnel by the licensed health professional according to the appropriate practice standards for delegation or assignment. When administration of a treatment or therapy is delegated or assigned to unlicensed personnel, the home care provider must ensure that the registered nurse or authorized licensed health professional has:

(1) instructed the unlicensed personnel in the proper methods with respect to each client and the unlicensed personnel has demonstrated the ability to competently follow the procedures;

(2) specified, in writing, specific instructions for each client and documented those instructions in the client's record; and

(3) communicated with the unlicensed personnel about the individual needs of the client.

Subd. 5. **Documentation of administration of treatments and therapies.** Each treatment or therapy administered by a comprehensive home care provider must be documented in the client's record. The documentation must include the signature and title of the person who administered the treatment or therapy and must include the date and time of administration. When treatment or therapies are not administered as ordered or prescribed, the provider must document the reason why it was not administered and any follow-up procedures that were provided to meet the client’s needs.

Subd. 6. **Orders or prescriptions.** There must be an up-to-date written or electronically recorded order or prescription for all treatments and therapies. The order must contain the name of the client, description of the treatment or therapy to be provided, and the frequency and other information needed to administer the treatment or therapy.

Page 87, delete section 19 and insert:

"Sec. 19. [144A.4796] ORIENTATION AND ANNUAL TRAINING REQUIREMENTS.

Subdivision 1. **Orientation of staff and supervisors to home care.** All staff providing and supervising direct home care services must complete an orientation to home care licensing requirements and regulations before providing home care services to clients. The orientation may be incorporated into the training required under subdivision 6. The orientation need only be completed once for each staff person and is not transferable to another home care provider.

Subd. 2. **Content.** The orientation must contain the following topics:

(1) an overview of sections 144A.43 to 144A.4798;

(2) introduction and review of all the provider's policies and procedures related to the provision of home care services;

(3) handling of emergencies and use of emergency services;

(4) compliance with and reporting of the maltreatment of minors or vulnerable adults under sections 626.556 and 626.557;

(5) home care bill of rights, under section 144A.44;"
(6) handling of clients' complaints; reporting of complaints and where to report complaints including information on the Office of Health Facility Complaints and the Common Entry Point;

(7) consumer advocacy services of the Office of Ombudsman for Long-Term Care, Office of Ombudsman for Mental Health and Developmental Disabilities, Managed Care Ombudsman at the Department of Human Services, county managed care advocates, or other relevant advocacy services; and

(8) review of the types of home care services the employee will be providing and the provider's scope of licensure.

Subd. 3. Verification and documentation of orientation. Each home care provider shall retain evidence in the employee record of each staff person having completed the orientation required by this section.

Subd. 4. Orientation to client. Staff providing home care services must be oriented specifically to each individual client and the services to be provided. This orientation may be provided in person, orally, in writing, or electronically.

Subd. 5. Training required relating to Alzheimer's disease and related disorders. For home care providers that provide services for persons with Alzheimer's or related disorders, all direct care staff and supervisors working with those clients must receive training that includes a current explanation of Alzheimer's disease and related disorders, effective approaches to use to problem solve when working with a client's challenging behaviors, and how to communicate with clients who have Alzheimer's or related disorders.

Subd. 6. Required annual training. All staff that perform direct home care services must complete at least eight hours of annual training for each 12 months of employment. The training may be obtained from the home care provider or another source and must include topics relevant to the provision of home care services. The annual training must include:

(1) training on reporting of maltreatment of minors under section 626.556 and maltreatment of vulnerable adults under section 626.557, whichever is applicable to the services provided;

(2) review of the home care bill of rights in section 144A.44;

(3) review of infection control techniques used in the home and implementation of infection control standards including a review of hand washing techniques; the need for and use of protective gloves, gowns, and masks; appropriate disposal of contaminated materials and equipment, such as dressings, needles, syringes, and razor blades; disinfecting reusable equipment; disinfecting environmental surfaces; and reporting of communicable diseases; and

(4) review of the provider's policies and procedures relating to the provision of home care services and how to implement those policies and procedures.

Subd. 7. Documentation. A home care provider must retain documentation in the employee records of the staff that have satisfied the orientation and training requirements of this section."

Page 92, delete sections 23 and 24 and insert:

"Sec. 23. [144A.481] HOME CARE LICENSING IMPLEMENTATION FOR NEW LICENSEES AND TRANSITION PERIOD FOR CURRENT LICENSEES.

Subdivision 1. Temporary home care licenses and changes of ownership. (a) Beginning January 1, 2014, all temporary license applicants must apply for either a temporary basic or comprehensive home care license.
(b) Temporary home care licenses issued beginning January 1, 2014, shall be issued to licensees according to sections 144A.43 to 144A.4799, and the fees in section 144A.472. Licensees must comply with the requirements of this chapter.

(c) No temporary licenses will be accepted or issued between October 1, 2013, and December 31, 2013.

(d) Beginning October 1, 2013, changes in ownership applications will require payment of the new fees listed in section 144A.472.

Subd. 2. Current home care licensees with licenses prior to July 1, 2013. (a) Beginning July 1, 2014, department licensed home care providers must apply for either the basic or comprehensive home care license on their regularly scheduled renewal date.

(b) By June 30, 2015, all home care providers must either have a basic or comprehensive home care license or temporary license.

Subd. 3. Renewal application of home care licensure during transition period. Renewal of home care licenses issued beginning July 1, 2014, will be issued according to sections 144A.43 to 144A.4799 and, upon license renewal, providers must comply with sections 144A.43 to 144A.4799. Prior to renewal, providers must comply with the home care licensure law in effect on June 30, 2013.

The fees charged for licenses renewed between July 1, 2014, and June 30, 2016, shall be the lesser of 200 percent or $1,000, except where the 200 percent or $1,000 increase exceeds the actual renewal fee charged, with a maximum renewal fee of $6,625.

For fiscal year 2014 only, the fees for providers with revenues greater than $25,000 and no more than $100,000 will be $313 and for providers with revenues no more than $25,000 the fee will be $125.

Page 92, delete section 25 and insert:

"Sec. 24. [144A.482] REGISTRATION OF HOME MANAGEMENT PROVIDERS.

(a) For purposes of this section, a home management provider is an individual or organization that provides at least two of the following services: housekeeping, meal preparation, and shopping to a person who is unable to perform these activities due to illness, disability, or physical condition.

(b) A person or organization that provides only home management services may not operate in the state without a current certificate of registration issued by the commissioner of health. To obtain a certificate of registration, the person or organization must annually submit to the commissioner the name, mailing and physical addresses, e-mail address, and telephone number of the person or organization and a signed statement declaring that the person or organization is aware that the home care bill of rights applies to their clients and that the person or organization will comply with the home care bill of rights provisions contained in section 144A.44. A person or organization applying for a certificate must also provide the name, business address, and telephone number of each of the persons responsible for the management or direction of the organization.

(c) The commissioner shall charge an annual registration fee of $20 for persons and $50 for organizations. The registration fee shall be deposited in the state treasury and credited to the state government special revenue fund.

(d) A home care provider that provides home management services and other home care services must be licensed, but licensure requirements other than the home care bill of rights do not apply to those employees or volunteers who provide only home management services to clients who do not receive any other home care services
from the provider. A licensed home care provider need not be registered as a home management service provider but must provide an orientation on the home care bill of rights to its employees or volunteers who provide home management services.

(e) An individual who provides home management services under this section must, within 120 days after beginning to provide services, attend an orientation session approved by the commissioner that provides training on the home care bill of rights and an orientation on the aging process and the needs and concerns of elderly and disabled persons.

(f) The commissioner may suspend or revoke a provider's certificate of registration or assess fines for violation of the home care bill of rights. Any fine assessed for a violation of the home care bill of rights by a provider registered under this section shall be in the amount established in the licensure rules for home care providers. As a condition of registration, a provider must cooperate fully with any investigation conducted by the commissioner, including providing specific information requested by the commissioner on clients served and the employees and volunteers who provide services. Fines collected under this paragraph shall be deposited in the state treasury and credited to the fund specified in the statute or rule in which the penalty was established.

(g) The commissioner may use any of the powers granted in sections 144A.43 to 144A.4799 to administer the registration system and enforce the home care bill of rights under this section."

"ARTICLE 6
CONTINUING CARE

Section 1. Minnesota Statutes 2012, section 256.01, is amended by adding a subdivision to read:

Subd. 35. Commissioner must annually report certain prepaid medical assistance plan data. (a) The commissioners of human services and education may share private or nonpublic data to allow the commissioners to analyze the screening, diagnosis, and treatment of children with autism spectrum disorder and other developmental conditions. The commissioners may share the individual-level data necessary to:

(1) measure the prevalence of autism spectrum disorder and other developmental conditions;
(2) analyze the effectiveness of existing policies and procedures in the early identification of children with autism spectrum disorder and other developmental conditions;

(3) assess the effectiveness of screening, diagnosis, and treatment to allow children with autism spectrum disorder and other developmental conditions to meet developmental and social-emotional milestones;

(4) identify and address disparities in screening, diagnosis, and treatment related to the native language or race and ethnicity of the child;

(5) measure the effectiveness of public health care programs in addressing the medical needs of children with autism spectrum disorder and other developmental conditions; and

(6) determine the capacity of educational and health care systems to meet the needs of children with autism spectrum disorder and other developmental conditions.

(b) The commissioner of human services shall use the data shared with the commissioner of education under this subdivision to improve public health care program performance in early screening, diagnosis, and treatment for children once data are available and shall report on the results and any summary data, as defined in section 13.02, subdivision 19, on the department’s Web site by September 30 of each year.

Sec. 2. [256B.0949] AUTISM EARLY INTENSIVE INTERVENTION BENEFIT.

Subdivision 1. Purpose. This section creates a new benefit available under the medical assistance state plan when federal approval consistent with the provisions in subdivision 11 is obtained for a 1915(i) waiver pursuant to the Affordable Care Act, section 2402(c), amending United States Code, title 42, section 1396n(i)(1), or other option to provide early intensive intervention to a child with an autism spectrum disorder diagnosis. This benefit must provide coverage for diagnosis, multidisciplinary assessment, ongoing progress evaluation, and medically necessary treatment of autism spectrum disorder.

Subd. 2. Definitions. (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) “Autism spectrum disorder diagnosis” is defined by diagnostic code 299 in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM).

(c) "Child" means a person under the age of seven, or for two years at any age under age 18 if the person was not diagnosed with autism spectrum disorder before age five, or a person under age 18 pursuant to subdivision 12.

(d) "Commissioner" means the commissioner of human services, unless otherwise specified.

(e) "Early intensive intervention benefit" means autism treatment options based in behavioral and developmental science, which may include modalities such as applied behavior analysis, developmental treatment approaches, and naturalistic and parent training models.

(f) "Generalizable goals" means results or gains that are observed during a variety of activities with different people, such as providers, family members, other adults, and children, and in different environments including but not limited to clinics, homes, schools, and the community.

Subd. 3. Initial eligibility. This benefit is available to a child enrolled in medical assistance who:

(1) has an autism spectrum disorder diagnosis:
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(2) has had a diagnostic assessment described in subdivision 5 that recommends early intensive intervention services;

(3) meets the criteria for medically necessary autism early intensive intervention services; and

(4) declines to enroll in the state services described in section 252.27.

Subd. 4. Diagnosis. (a) A diagnosis must:

(1) be based on current DSM criteria including direct observations of the child and reports from parents or primary caregivers;

(2) be completed by a professional who has expertise and training in autism spectrum disorder and child development and who is a licensed physician, nurse practitioner, or licensed mental health professional until the commissioner's assessment required in subdivision 8, clause (7), shows there are adequate professionals to avoid access problems or delays in diagnosis for young children if two professionals are required for a diagnosis pursuant to clause (3); and

(3) be completed by both a medical and mental health professional who have expertise and training in autism spectrum disorder and child development when the assessment in subdivision 8, clause (7), demonstrates that there are sufficient professionals available.

(b) Additional diagnostic assessment information including from special education evaluations and licensed school personnel, and from professionals licensed in the fields of medicine, speech and language, psychology, occupational therapy, and physical therapy may be considered.

Subd. 5. Diagnostic assessment. The following information and assessments must be performed, reviewed, and relied upon for the eligibility determination, treatment and services recommendations, and treatment plan development for the child:

(1) an assessment of the child's developmental skills, functional behavior, needs, and capacities based on direct observation of the child that must be administered by a licensed mental health professional and may also include observations from family members, licensed school personnel, child care providers, or other caregivers, as well as any medical or assessment information from other licensed professionals such as the child's physician, rehabilitation therapists, or mental health professionals; and

(2) an assessment of parental or caregiver capacity to participate in therapy including the type and level of parental or caregiver involvement and training recommended.

Subd. 6. Treatment plan. (a) Each child's treatment plan must be:

(1) based on the diagnostic assessment information specified in subdivisions 4 and 5;

(2) coordinated with medically necessary occupational, physical, and speech and language therapies, special education, and other services the child and family are receiving;

(3) family-centered;

(4) culturally sensitive; and

(5) individualized based on the child's developmental status and the child's and family's identified needs.
(b) The treatment plan must specify the:

(1) child's goals, that are developmentally appropriate, functional, and generalizable;

(2) treatment modality;

(3) treatment intensity;

(4) setting; and

(5) level and type of parental or caregiver involvement.

(c) The treatment must be supervised by a professional with expertise and training in autism and child development who is a licensed physician, nurse practitioner, or mental health professional.

(d) The treatment plan must be submitted to the commissioner for approval in a manner determined by the commissioner.

(e) Services authorized must be consistent with the child's approved treatment plan.

Subd. 7. Ongoing eligibility. (a) An independent progress evaluation conducted by a licensed mental health professional with expertise and training in autism spectrum disorder and child development must be completed after each six months of treatment, or more frequently as determined by the commissioner, to determine if progress is being made toward achieving generalizable gains and meeting functional goals contained in the treatment plan.

(b) The progress evaluation must include:

(1) the treating provider's report;

(2) parental or caregiver input;

(3) an independent observation of the child, that can be performed by the child's licensed special education staff;

(4) any treatment plan modifications; and

(5) recommendations for continued treatment services.

(c) Progress evaluations must be submitted to the commissioner in a manner determined by the commissioner.

(d) A child who continues to achieve generalizable gains and treatment goals as specified in the treatment plan is eligible to continue receiving this benefit.

(e) A child's treatment shall continue during the progress evaluation and during an appeal if continuation of services pending appeal has been requested pursuant to section 256.045, subdivision 10.

Subd. 8. Refining benefit with stakeholders. The commissioner must develop the implementation details of the benefit in consultation with stakeholders and consider recommendations from the Health Services Advisory Council, the Department of Human Services Autism Spectrum Disorder Advisory Council, the Legislative Autism Spectrum Disorder Task Force, and the Interagency Task Force of the Departments of Health, Education, and Human Services. The commissioner must release these details for a 30-day public comment period prior to submission to the federal government for approval. The implementation details include, but are not limited to, the following components:
(1) A definition of the qualifications, standards, and roles of the treatment team, including recommendations after stakeholder consultation on whether board-certified behavior analysts and other types of professionals trained in autism spectrum disorder and child development should be added as mental health or other professionals for treatment supervision or other functions under medical assistance.

(2) Development of initial, uniform parameters for comprehensive multidisciplinary diagnostic assessment information and progress evaluation standards.

(3) The design of an effective and consistent process for assessing parent and caregiver capacity to participate in the child's early intervention treatment and methods of involving the parents in the treatment of the child.

(4) Formulation of a collaborative process in which professionals have opportunities to collectively inform the comprehensive, multidisciplinary diagnostic assessment and progress evaluation processes and standards to support quality improvement of early intensive intervention services.

(5) Coordination of this benefit and its interaction with other services provided by the Departments of Human Services, Health, and Education.

(6) Evaluation, on an ongoing basis, of research regarding the program and treatment modalities provided to children under this benefit; and

(7) Determination of the availability of licensed medical and mental health professionals with expertise and training in autism spectrum disorder throughout the state in order to assess whether there are sufficient professionals to require involvement of both a medical and mental health professional to provide access and prevent delay in the diagnosis and treatment of young children so as to implement subdivision 4, paragraph (a), and to ensure treatment is effective, timely, and accessible.

Subd. 9. Revision of treatment options. (a) The commissioner may revise covered treatment options as needed based on outcome data and other evidence.

(b) Before the changes become effective, the commissioner must provide public notice of the changes, the reasons for the changes, and a 30-day public comment period to those who request notice through an electronic list accessible to the public on the department's Web site.

Subd. 10. Coordination between agencies. The commissioners of human services and education must develop the capacity to coordinate services and information including diagnostic, functional, developmental, medical, and educational assessments; service delivery; and progress evaluations across health and education sectors.

Subd. 11. Federal approval of autism benefit. The provisions of subdivision 9 shall apply to state plan services under title XIX of the Social Security Act when federal approval is granted under a 1915(i) waiver or other authority that allows children eligible for medical assistance through the TEFRA option under section 256B.055, subdivision 12, to qualify and includes children eligible for medical assistance in families over 150 percent of the federal poverty guidelines.

Subd. 12. Local school districts option to continue treatment. (a) A local school district may contract with the commissioner of human services to pay the state share of the benefits described under this section to continue the treatment as part of the special education services offered to all students in the district diagnosed with autism spectrum disorder.

(b) A local school district may utilize third-party billing to seek reimbursement for the district for any services paid by the district under this section for which private insurance coverage was available to the child.

EFFECTIVE DATE. The autism benefit under subdivisions 1 to 7, 9, and 12 is effective upon federal approval for the benefit under a 1915(i) waiver or other federal authority needed to meet the requirements of subdivision 11, but no earlier than March 1, 2014. Subdivisions 8, 10, and 11 are effective July 1, 2013.
Sec. 3. Minnesota Statutes 2012, section 256B.69, is amended by adding a subdivision to read:

Subd. 32a. *Initiatives to improve early screening, diagnosis, and treatment of children with autism spectrum disorder and other developmental conditions.* (a) The commissioner shall require managed care plans and county-based purchasing plans, as a condition of contract, to implement strategies that facilitate access for young children between the ages of one and three years to periodic developmental and social-emotional screenings, as recommended by the Minnesota Interagency Developmental Screening Task Force, and that those children who do not meet milestones are provided access to appropriate evaluation and assessment, including treatment recommendations, expected to improve the child’s functioning, with the goal of meeting milestones by age five.

(b) The managed care plans must report the following data annually:

(1) the number of children who received a diagnostic assessment;

(2) the total number of children ages one to six with a diagnosis of autism spectrum disorder who received treatments;

(3) the number of children identified under clause (2) reported by each 12-month age group beginning with age one and ending with age six;

(4) the types of treatments provided to children identified under clause (2), listed by billing code, including the number of units billed for each child;

(5) barriers to providing screening, diagnosis, and treatment of young children between the ages of one and three years and any strategies implemented to address those barriers; and

(6) recommendations on how to measure and report on the effectiveness of the strategies implemented to facilitate access for young children to provide developmental and social-emotional screening, diagnosis, and treatment.

Sec. 4. *Nursing Home Level of Care Report.*

(a) The commissioner of human services shall report on the impact of the nursing home level of care implementation including the following:

(1) the number of individuals who lost waivered services and medical assistance;

(2) the result of the loss of services;

(3) information on where individuals were living before and after the nursing home level of care changes took effect, to show the impact on an individual’s ability to maintain independence in the community; and

(4) utilization data before and after nursing home level of care implementation for those who retained medical assistance, including which essential community support and personal care assistant services were used and to what extent the $400 essential community support grant was sufficient to meet needs.

(b) The commissioner of human services shall report to the chairs of the legislative committees with jurisdiction over health and human services policy and finance with the information required under paragraph (a) on October 1, 2014, and annually thereafter.
ARTICLE 7
HOME AND COMMUNITY-BASED SERVICES DISABILITY RATE SETTING

Section 1. [256B.4914] HOME AND COMMUNITY-BASED SERVICES WAIVERS; RATE SETTING.

Subdivision 1. Application. The payment methodologies in this section apply to home and community-based services waivers under sections 256B.092 and 256B.49. This section does not change existing waiver policies and procedures.

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

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

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

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

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

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

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

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

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

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

Subd. 3. Applicable services. Applicable services are those authorized under the state's home and community-based services waivers under sections 256B.092 and 256B.49 including, as defined in the federally approved home and community-based services plan:

(1) 24-hour customized living;

(2) adult day care;

(3) adult day care bath;

(4) behavioral programming;

(5) companion services;
(6) customized living;
(7) day training and habilitation;
(8) housing access coordination;
(9) independent living skills;
(10) in-home family support;
(11) night supervision;
(12) personal support;
(13) prevocational services;
(14) residential care services;
(15) residential support services;
(16) respite services;
(17) structured day services;
(18) supported employment services;
(19) supported living services;
(20) transportation services; and
(21) other services as approved by the federal government in the state home and community-based services plan.

Subd. 4. **Data collection for rate determination.** (a) Rates for all applicable home and community-based waivered services, including rate exceptions under subdivision 12, are set via the rates management system.

(b) Only data and information in the rates management system may be used to calculate an individual's rate.

(c) Service providers, with information from the community support plan, shall enter values and information needed to calculate an individual's rate into the rates management system. These values and information include:

(1) shared staffing hours;

(2) individual staffing hours;

(3) staffing ratios;

(4) information to document variable levels of service qualification for variable levels of reimbursement in each framework;

(5) shared or individualized arrangements for unit-based services, including the staffing ratio; and
(6) number of trips and miles for transportation services.

(d) Updates to individual data shall include:

(1) data for each individual that is updated annually when renewing service plans; and

(2) requests by individuals or lead agencies to update a rate whenever there is a change in an individual’s service needs, with accompanying documentation.

(e) Lead agencies shall review and approve values to calculate the final payment rate for each individual. Lead agencies must notify the individual and the service provider of the final agreed upon values and rate. If a value used was mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead agencies to correct it. Lead agencies must respond to these requests.

Subd. 5. **Base wage index and standard component values.** (a) The base wage index is established to determine staffing costs associated with providing services to individuals receiving home and community-based services. For purposes of developing and calculating the proposed base wage, Minnesota-specific wages taken from job descriptions and standard occupational classification (SOC) codes from the Bureau of Labor Statistics, as defined in the most recent edition of the Occupational Handbook, shall be used. The base wage index shall be calculated as follows:

(1) for residential direct care basic staff, 50 percent of the median wage for personal and home health aide (SOC code 39-9021); 30 percent of the median wage for nursing aide (SOC code 31-1012); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(2) for residential direct care intensive staff, 20 percent of the median wage for home health aide (SOC code 31-1011); 20 percent of the median wage for personal and home health aide (SOC code 39-9021); 20 percent of the median wage for nursing aide (SOC code 21-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(3) for day services, 20 percent of the median wage for nursing aide (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social and human services code (SOC code 21-1093);

(4) for residential asleep overnight staff, the wage shall be $7.66 per hour, except in a family foster care setting the wage is $2.80 per hour;

(5) for behavior program analyst staff, 100 percent of the median wage for mental health counselors (SOC code 21-1014);

(6) for behavior program professional staff, 100 percent of the median wage for clinical counseling and school psychologist (SOC code 19-3031);

(7) for behavior program specialist staff, 100 percent of the median wage for psychiatric technicians (SOC code 29-2053);

(8) for supportive living services staff, 20 percent of the median wage for nursing aide (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social and human services aide (SOC code 21-1093);
(9) for housing access coordination staff, 50 percent of the median wage for community and social services specialist (SOC code 21-1099); and 50 percent of the median wage for social and human services aide (SOC code 21-1093);

(10) for in-home family support staff, 20 percent of the median wage for nursing aide (SOC code 31-1012); 30 percent of community social service specialist (SOC code 21-1099); 40 percent of the median wage for social and human services aide (SOC code 21-1093); and 10 percent of the median wage for psychiatric technician (SOC code 29-2053);

(11) for independent living skills staff, 40 percent of the median wage for community social service specialist (SOC code 21-1099); 50 percent of the median wage for social and human services aide (SOC code 21-1093); and 10 percent of the median wage for psychiatric technician (SOC code 29-2053);

(12) for supported employment staff, 20 percent of the median wage for nursing aide (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social and human services aide (SOC code 21-1093);

(13) for adult companion staff, 50 percent of the median wage for personal and home care aide (SOC code 39-9021); and 50 percent of the median wage for nursing aides, orderlies, and attendants (SOC code 31-1012);

(14) for night supervision staff, 20 percent of the median wage for home health aide (SOC code 31-1011); 20 percent of the median wage for personal and home health aide (SOC code 39-9021); 20 percent of the median wage for nursing aide (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(15) for respite staff, 50 percent of the median wage for personal and home care aide (SOC code 39-9021); and 50 percent of the median wage for nursing aides, orderlies, and attendants (SOC code 31-1012);

(16) for personal support staff, 50 percent of the median wage for personal and home care aide (SOC code 39-9021); and 50 percent of the median wage for nursing aides, orderlies, and attendants (SOC code 31-1012); and

(17) for supervisory staff, the basic wage is $17.43 per hour with exception of the supervisor of behavior analyst and behavior specialists which shall be $30.75 per hour.

(b) Component values for residential support services, excluding family foster care, are:

(1) supervisory span of control ratio, 11 percent;

(2) employee vacation, sick, and training allowance ratio, 8.71 percent;

(3) employee-related cost ratio, 23.6 percent;

(4) general administrative support ratio, 13.25 percent;

(5) program-related expense ratio, 1.3 percent; and

(6) absence and utilization factor ratio, 3.9 percent.

(c) Component values for family foster care are:

(1) supervisory span of control ratio, 11 percent;
(2) employee vacation, sick, and training allowance ratio, 8.71 percent;

(3) employee-related cost ratio, 23.6 percent;

(4) general administrative support ratio, 3.3 percent; and

(5) program-related expense ratio, 1.3 percent.

(d) Component values for day services for all services are:

(1) supervisory span of control ratio, 11 percent;

(2) employee vacation, sick, and training allowance ratio, 8.71 percent;

(3) employee-related cost ratio, 23.6 percent;

(4) program plan support ratio, 5.6 percent;

(5) client programming and support ratio, 10 percent;

(6) general administrative support ratio, 13.25 percent;

(7) program-related expense ratio, 1.8 percent; and

(8) absence and utilization factor ratio, 3.9 percent.

(e) Component values for unit-based services with program services are:

(1) supervisory span of control ratio, 11 percent;

(2) employee vacation, sick, and training allowance ratio, 8.71 percent;

(3) employee-related cost ratio, 23.6 percent;

(4) program plan supports ratio, 3.1 percent;

(5) client programming and support ratio, 8.6 percent;

(6) general administrative support ratio, 13.25 percent;

(7) program-related expense ratio, 6.1 percent; and

(8) absence and utilization factor ratio, 3.9 percent.

(f) Component values for unit-based services without programming except respite are:

(1) supervisory span of control ratio, 11 percent;

(2) employee vacation, sick, and training allowance ratio, 8.71 percent;

(3) employee-related cost ratio, 23.6 percent;
(4) program plan support ratio, 3.1 percent;
(5) client programming and support ratio, 8.6 percent;
(6) general administrative support ratio, 13.25 percent;
(7) program-related expense ratio, 6.1 percent; and
(8) absence and utilization factor ratio, 3.9 percent.

(g) Component values for unit-based services without programming for respite are:
(1) supervisory span of control ratio, 11 percent;
(2) employee vacation, sick, and training allowance ratio, 8.71 percent;
(3) employee-related cost ratio, 23.6 percent;
(4) general administrative support ratio, 13.25 percent;
(5) program-related expense ratio, 6.1 percent; and
(6) absence and utilization factor ratio, 3.9 percent.

(h) On July 1, 2017, the commissioner shall update the base wage index in paragraph (a) based on the wage data by SOC from the Bureau of Labor Statistics available on December 31, 2016. The commissioner shall publish these updated values and load them into the rates management system. This adjustment shall occur every five years. For adjustments in 2021 and later, the commissioner shall use the data available on December 31 of the calendar year five years prior.

(i) On July 1, 2017, the commissioner shall update the framework components in paragraph (c) for changes in the Consumer Price Index. The commissioner must adjust these values higher or lower by the percentage change in the Consumer Price Index-All Items (United States city average) (CPI-U) from January 1, 2014, to January 1, 2017. The commissioner shall publish these updated values and load them into the rates management system. This adjustment shall occur every five years. For adjustments in 2021 and later, the commissioner shall use the data available on January 1 of the calendar year four years prior and January 1 of the current calendar year.

Subd. 6. Payments for residential support services. (a) Payments for residential support services, as defined in sections 256B.092, subdivision 11, and 256B.49, subdivision 22, must be calculated as follows:

(1) determine the number of units of service to meet a recipient's needs;
(2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics national and Minnesota-specific rates or rates derived by the commissioner as provided in subdivision 5. This is defined as the direct care rate;
(3) for a recipient requiring customization for deaf or hard-of-hearing language accessibility under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (2). This is defined as the customized direct care rate;
(4) multiply the number of residential services direct staff hours by the appropriate staff wage in subdivision 5, paragraph (a), or the customized direct care rate;
(5) multiply the number of direct staff hours by the product of the supervision span of control ratio in subdivision 5, paragraph (b), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (17);

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

(7) for employee-related expenses, multiply the direct staffing cost by one plus the employee-related cost ratio in subdivision 5, paragraph (b), clause (3);

(8) for client programming and supports, the commissioner shall add $2,179; and

(9) for transportation, if provided, the commissioner shall add $1,680, or $3,000 if customized for adapted transport per year.

(b) The total rate shall be calculated using the following steps:

(1) subtotal paragraph (a), clauses (7) to (9);

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

(3) divide the result of clause (1) by one minus the result of clause (2). This is the total payment amount.

Subd. 7. Payments for day programs. Payments for services with day programs including adult day care, day treatment and habilitation, prevocational services, and structured day services must be calculated as follows:

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

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

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

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

(5) multiply the number of day program direct staff hours by the product of the supervision span of control ratio in subdivision 5, paragraph (d), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (17);

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

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

(8) for employee-related expenses, multiply the result of clause (7) by one plus the employee-related cost ratio in subdivision 5, paragraph (d), clause (3);
(9) for client programming and supports, multiply the result of clause (8) by one plus the client programming and support ratio in subdivision 5, paragraph (d), clause (5);

(10) for program facility costs, add $8.30 per week with consideration of staffing ratios to meet individual needs;

(11) for adult day bath services, add $7.01 per 15-minute unit;

(12) this is the subtotal rate;

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

(14) divide the result of clause (12) by one minus the result of clause (13). This is the total payment amount;

(15) for transportation provided as part of day training and habilitation for an individual who does not require a lift, add:

   (i) $10.50 for a trip between zero and ten miles for a nonshared ride in a vehicle without a lift, $8.83 for a shared ride in a vehicle without a lift, and $9.25 for a shared ride in a vehicle with a lift;

   (ii) $15.75 for a trip between 11 and 20 miles for a nonshared ride in a vehicle without a lift, $10.58 for a shared ride in a vehicle without a lift, and $11.88 for a shared ride in a vehicle with a lift;

   (iii) $25.75 for a trip between 21 and 50 miles for a nonshared ride in a vehicle without a lift, $13.92 for a shared ride in a vehicle without a lift, and $16.88 for a shared ride in a vehicle with a lift; or

   (iv) $33.50 for a trip of 51 miles or more for a nonshared ride in a vehicle without a lift, $16.50 for a shared ride in a vehicle without a lift, and $20.75 for a shared ride in a vehicle with a lift;

(16) for transportation provided as part of day training and habilitation for an individual who does require a lift, add:

   (i) $19.05 for a trip between zero and ten miles for a nonshared ride in a vehicle with a lift, and $15.05 for a shared ride in a vehicle with a lift;

   (ii) $32.16 for a trip between 11 and 20 miles for a nonshared ride in a vehicle with a lift, and $28.16 for a shared ride in a vehicle with a lift;

   (iii) $58.76 for a trip between 21 and 50 miles for a nonshared ride in a vehicle with a lift, and $58.76 for a shared ride in a vehicle with a lift; or

   (iv) $80.93 for a trip of 51 miles or more for a nonshared ride in a vehicle with a lift, and $80.93 for a shared ride in a vehicle with a lift.

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

(1) determine the number of units of service to meet a recipient's needs;
(2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics Minnesota-specific rates or rates derived by the commissioner as provided in subdivision 5;

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

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

(5) multiply the number of direct staff hours by the product of the supervision span of control ratio in subdivision 5, paragraph (e), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (17);

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

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

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

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

(10) this is the subtotal rate;

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

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

Subd. 9. Payments for unit-based services without programming. Payments for unit-based services without programming including night supervision, personal support, respite, and companion care provided to an individual outside of any day or residential service plan must be calculated as follows unless the services are authorized separately under subdivision 6 or 7:

(1) for all services except respite, determine the number of units of service to meet a recipient's needs;

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

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

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

(5) multiply the number of direct staff hours by the product of the supervision span of control ratio in subdivision 5, paragraph (f), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (17);
(6) combine the results of clauses (4) and (5) and multiply the result by one plus the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (f), clause (2). This is defined as the direct staffing rate;

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

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

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

(10) this is the subtotal rate;

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

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

(13) for respite services, determine the number of daily units of service to meet an individual's needs;

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

(15) for a recipient requiring deaf or hard-of-hearing customization under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (14). This is defined as the customized direct care rate;

(16) multiply the number of direct staff hours by the appropriate staff wage in subdivision 5, paragraph (a);

(17) multiply the number of direct staff hours by the product of the supervisory span of control ratio in subdivision 5, paragraph (g), clause (1), and the appropriate supervision wage in subdivision 5, paragraph (a), clause (17);

(18) combine the results of clauses (16) and (17) and multiply the result by one plus the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (g), clause (2). This is defined as the direct staffing rate;

(19) for employee-related expenses, multiply the result of clause (18) by one plus the employee-related cost ratio in subdivision 5, paragraph (g), clause (3);

(20) this is the subtotal rate;

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

(22) divide the result of clause (20) by one minus the result of clause (21). This is the total payment amount.

Subd. 10. **Updating payment values and additional information.** (a) The commissioner shall develop and implement uniform procedures to refine terms and update or adjust values used to calculate payment rates in this section. For calendar year 2014, the commissioner shall use the values, terms, and procedures provided in this section.
(b) The commissioner shall work with stakeholders to assess efficacy of values and payment rates. The commissioner shall report back to the legislature with proposed changes for component values and recommendations for revisions on the schedule provided in paragraphs (c) and (d).

(c) The commissioner shall work with stakeholders to continue refining a subset of component values, which are to be referred to as interim values, and report recommendations to the legislature by February 15, 2014. Interim component values are: transportation rates for day training and habilitation; transportation for adult day, structured day, and prevocational services; geographic difference factor; day program facility rate; services where monitoring technology replaces staff time; shared services for independent living skills training; and supported employment and billing for indirect services.


(e) The commissioner shall provide a public notice via list serve in October of each year beginning October 1, 2014. The notice shall contain information detailing legislatively approved changes in: calculation values including derived wage rates and related employee and administrative factors; services utilization; county and tribal allocation changes; and information on adjustments to be made to calculation values and timing of those adjustments. Information in this notice shall be effective January 1 of the following year.

Subd. 11. **Payment implementation.** Upon implementation of the payment methodologies under this section, those payment rates supersede rates established in county contracts for recipients receiving waiver services under section 256B.092 or 256B.49.

Subd. 12. **Customization of rates for individuals.** (a) For persons determined to have higher needs based on being deaf or hard-of-hearing, the direct care costs must be increased by an adjustment factor prior to calculating the rate under subdivisions 6 to 9. The customization rate with respect to deaf or hard-of-hearing persons shall be $2.50 per hour for waiver recipients who meet the respective criteria as determined by the commissioner.

(b) For the purposes of this section, "deaf or hard-of-hearing" means:

1. (i) the person has a developmental disability and an assessment score that indicates a hearing impairment that is severe or that the person has no useful hearing;

   (ii) the person has a developmental disability and an expressive communications score that indicates the person uses single signs or gestures, uses an augmentative communication aid, or does not have functional communication, or the person's expressive communications are unknown; and

   (iii) the person has a developmental disability and a communication score that indicates the person comprehends signs, gestures, and modeling prompts or does not comprehend verbal, visual, or gestural communication or that the person's receptive communications score is unknown; or

2. (i) the person receives long-term care services and has an assessment score that indicates they hear only very loud sounds, have no useful hearing, or a determination cannot be made; and

   (ii) the person receives long-term care services and has an assessment score that indicates the person communicates needs with sign language, symbol board, written messages, gestures, or an interpreter; communicates with inappropriate content; makes garbled sounds or displays echolalia; or does not communicate needs.

Subd. 13. **Transportation.** The commissioner shall require that the purchase of transportation services be cost-effective and be limited to market rates where the transportation mode is generally available and accessible.
Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies must identify individuals with exceptional needs that cannot be met under the disability waiver rate system. The commissioner shall use that information to evaluate and, if necessary, approve an alternative payment rate for those individuals.

(b) Lead agencies must submit exception requests to the state.

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

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

(2) an individual's rate determined under subdivisions 6 to 9 results in an individual being discharged.

(d) Exception requests must include the following information:

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

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

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

(4) the duration of the rate exception; and

(5) any contingencies for approval.

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

(f) Individual disability waiver recipients may request that a lead agency submit an exception request. A lead agency that denies such a request shall notify the individual waiver recipient of its decision and the reasons for denying the request in writing no later than 30 days after the individual's request has been made.

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

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

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

Subd. 15. **County or tribal allocations.** (a) Upon implementation of the disability waiver rates management system on January 1, 2014, the commissioner shall establish a method of tracking and reporting the fiscal impact of the disability waiver rates management system on individual lead agencies.
(b) Beginning on January 1, 2014, and continuing through full implementation on December 31, 2017, the commissioner shall make annual adjustments to lead agencies’ home and community-based waivered service budget allocations to adjust for rate differences and the resulting impact on county allocations upon implementation of the disability waiver rates system.

Subd. 16. Budget neutrality adjustment. The commissioner shall calculate the total spending for all home and community-based waivered services under the payments as defined in subdivisions 6 to 9 for all recipients as of July 1, 2013, and compare it to spending for services defined for subdivisions 6 to 9 under current law. If spending for services in one particular subdivision differs, there will be a percentage adjustment to increase or decrease individual rates for the services defined in each subdivision so aggregate spending matches projections under current law.

Subd. 17. Implementation. (a) On January 1, 2014, the commissioner shall fully implement the calculation of rates for waivered services under sections 256B.092 and 256B.49, without additional legislative approval.

(b) The commissioner shall phase in the application of rates determined in subdivisions 6 to 9 for two years.

(c) The commissioner shall preserve rates in effect on December 31, 2013, for the two-year period.

(d) The commissioner shall calculate and measure the difference in cost per individual using the historical rate and the rates under subdivisions 6 to 9 for all individuals enrolled as of December 31, 2013. This measurement shall occur statewide and for individuals in every county. The commissioner shall provide the results of this analysis, by county for calendar year 2014, to the legislative committees with jurisdiction over health and human services finance by February 15, 2015.

(e) The commissioner shall calculate the average rate per unit for each service by county. For individuals enrolled after January 1, 2014, individuals will receive the higher of the rate produced under subdivisions 6 to 9, or the by-county average rate.

(f) On January 1, 2016, the rates determined in subdivisions 6 to 9 shall be applied."

Renumber the sections in sequence and correct the internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

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

S. F. No. 1236, A bill for an act relating to higher education; providing funding for the University of Minnesota, Minnesota State Colleges and Universities, the Minnesota Office of Higher Education, and for other higher education purposes; regulating the state grant program; limiting certain tuition increases; regulating bonus payments; eliminating state regulation of certain online instruction; providing for local bank deposit of certain MnSCU reserves; requiring the development of strategies to assist in the completion of post-secondary programs; requiring an assessment of the feasibility of a state program to refinance student debt; creating a pilot program for intensive mentoring, counseling, and job placement activities for certain students; requiring an evaluation of which performance standards should be used to evaluate institutional eligibility for state student financial aid programs;
requiring the University of Minnesota to develop a plan to reduce administrative costs; requiring a higher education mental health summit; creating a tribal college supplemental grant assistance program; recognizing veteran's experience and training for various higher education purposes; providing a pilot program for state grant aid to part-time students at MnSCU institutions; appropriating money; amending Minnesota Statutes 2012, sections 13.47, subdivision 3; 127A.70, subdivision 2; 135A.61; 136A.031, subdivision 2; 136A.101, subdivisions 3, 5a, 9; 136A.121, subdivision 5, by adding a subdivision; 136A.125, subdivisions 2, 4; 136A.233, subdivision 2; 136A.62, by adding a subdivision; 136A.646; 136A.65, subdivisions 4, 8; 136A.653, by adding a subdivision; 136F.40, subdivision 2; 137.027; 197.775, subdivisions 1, 2, by adding a subdivision; 268.19, subdivision 1; 299A.45, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 136F; 137; repealing Minnesota Statutes 2012, section 136A.121, subdivision 9b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
HIGHER EDUCATION APPROPRIATIONS

Section 1. SUMMARY OF APPROPRIATIONS.

Subdivision 1. Summary By Fund. The amounts shown in this subdivision summarize direct appropriations, by fund, made in this article.

<table>
<thead>
<tr>
<th>SUMMARY BY FUND</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$1,336,854,000</td>
<td>$1,378,282,000</td>
<td>$2,715,136,000</td>
</tr>
<tr>
<td>Health Care Access</td>
<td>2,157,000</td>
<td>2,157,000</td>
<td>4,314,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,339,011,000</strong></td>
<td><strong>$1,380,439,000</strong></td>
<td><strong>$2,719,450,000</strong></td>
</tr>
</tbody>
</table>

Subd. 2. Summary By Agency - All Funds. The amounts shown in this subdivision summarize direct appropriations, by agency, made in this article.

<table>
<thead>
<tr>
<th>SUMMARY BY AGENCY - ALL FUNDS</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota Office of Higher Education</td>
<td>$195,969,000</td>
<td>$196,197,000</td>
<td>$392,166,000</td>
</tr>
<tr>
<td>Board of Trustees of the Minnesota State Colleges and Universities</td>
<td>570,865,000</td>
<td>597,865,000</td>
<td>1,168,730,000</td>
</tr>
<tr>
<td>Board of Regents of the University of Minnesota</td>
<td>570,826,000</td>
<td>585,026,000</td>
<td>1,155,852,000</td>
</tr>
<tr>
<td>Mayo Clinic</td>
<td>1,351,000</td>
<td>1,351,000</td>
<td>2,702,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,339,011,000</strong></td>
<td><strong>$1,380,439,000</strong></td>
<td><strong>$2,719,450,000</strong></td>
</tr>
</tbody>
</table>
Sec. 2. **HIGHER EDUCATION APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015.

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>Available for the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ending June 30</td>
</tr>
<tr>
<td></td>
<td>2014</td>
</tr>
</tbody>
</table>

Sec. 3. **MINNESOTA OFFICE OF HIGHER EDUCATION**

Subdivision 1. **Total Appropriation**

$195,969,000 $196,197,000

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

Subd. 2. **State Grants**

160,005,000 160,214,000

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

For the biennium, the tuition maximum is $10,488 in each year for students in four-year programs, and $5,808 in fiscal year 2014 and $5,808 in fiscal year 2015 for students in two-year programs.

This appropriation sets the living and miscellaneous expense allowance at $7,000 each year.

Notwithstanding section 136A.101, subdivision 5a, for the biennium ending June 30, 2015, the assigned family responsibility for independent students without dependents other than a spouse is 53 percent of the student contribution, and the assigned family responsibility for independent students with dependents other than a spouse is 80 percent of the student contribution.

Subd. 3. **Child Care Grants**

6,684,000 6,684,000

Subd. 4. **State Work-Study**

14,502,000 14,502,000

Subd. 5. **Interstate Tuition Reciprocity**

3,250,000 3,250,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.
Subd. 6. Safety Officer’s Survivors

This appropriation is to provide educational benefits under Minnesota Statutes, section 299A.45, to eligible dependent children and to the spouses of public safety officers killed in the line of duty.

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

Subd. 7. Indian Scholarships

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

Subd. 8. Intervention for College Attendance Program Grants

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

This appropriation includes funding to administer the intervention for college attendance program grants.

Subd. 9. Student-Parent Information

Subd. 10. Get Ready

Subd. 11. Midwest Higher Education Compact

Subd. 12. Minnesota Minority Partnership

Subd. 13. United Family Medicine Residency Program

Subd. 14. MnLINK Gateway and Minitex

Subd. 15. Agency Administration

Subd. 16. Balances Forward

A balance in the first year under this section does not cancel, but is available for the second year.
Sec. 4. BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. Total Appropriation

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$570,865,000</td>
<td>$597,865,000</td>
</tr>
</tbody>
</table>

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

Subd. 2. Central Office and Shared Services Unit

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

Subd. 3. Operations and Maintenance

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33,074,000</td>
<td>33,074,000</td>
</tr>
</tbody>
</table>

This appropriation includes $25,500,000 in fiscal year 2014 and $52,500,000 in fiscal year 2015 for student tuition relief. The Board of Trustees may not set the tuition rate in any undergraduate degree-granting program for the 2013-2014 and 2014-2015 academic years at a rate greater than the 2012-2013 academic year rate. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student.

To the extent that appropriations under this subdivision are insufficient to meet obligations contained in a labor or program contract, the Board of Trustees shall fund those obligations through reductions in costs associated with central administration of the system and executive administration of individual campuses, or through reallocation of nonstate funds received by the system. These outstanding obligations may not be funded through reduction in any program or service that directly impacts students or that is newly-authorized by the legislature for the 2014-2015 biennium, or through increased fees or costs directly assessed to students.

Subd. 4. Learning Network of Minnesota

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

Sec. 5. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$570,826,000</td>
<td>$585,026,000</td>
</tr>
</tbody>
</table>

Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>568,669,000</td>
<td>582,869,000</td>
</tr>
<tr>
<td>Health Care Access</td>
<td>2,157,000</td>
<td>2,157,000</td>
</tr>
</tbody>
</table>

The amounts that may be spent for each purpose are specified in the following subdivisions.
Subd. 2. **Operations and Maintenance**

This appropriation includes funding for operation and maintenance of the system.

This appropriation includes $14,200,000 in fiscal year 2014 and $28,400,000 in fiscal year 2015 for tuition relief for resident undergraduate students. Notwithstanding section 137.025, subdivision 1, the commissioner of management and budget may not distribute any appropriation provided under this subdivision until the Board of Regents certifies to the commissioner that it has established resident tuition rates for courses in all undergraduate degree-granting programs at a rate no greater than the rate charged for the 2012-2013 academic year, and that the student tuition relief is not offset by increases in mandatory fees, charges, or other assessments to the student.

The Board of Regents of the University of Minnesota must transfer $645,000 in fiscal year 2014 and $645,000 in fiscal year 2015 from the appropriations made to it for operations and maintenance to the Hennepin County Medical Center for graduate family medicine education programs at Hennepin County Medical Center.

$9,000,000 in fiscal year 2014 and $9,000,000 in fiscal year 2015 are for the Minnesota Discovery, Research, and InnoVation Economy (MnDRIVE) funding program.

Subd. 3. **Primary Care Education Initiatives**

This appropriation is from the health care access fund.

Subd. 4. **Special Appropriations**

(a) **Agriculture and Extension Service**

For the Agricultural Experiment Station and the Minnesota Extension Service:

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

(2) this appropriation includes funding for research and outreach on the production of renewable energy from Minnesota biomass resources, including agronomic crops, plant and animal wastes, and native plants or trees. The following areas should be prioritized and carried out in consultation with Minnesota producers, renewable energy, and bioenergy organizations:
(i) biofuel and other energy production from perennial crops, small grains, row crops, and forestry products in conjunction with the Natural Resources Research Institute (NRRI);

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

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

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

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

(ii) fertilizer and soil fertility research and development;

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

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

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

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

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

(viii) the development of dairy coproducts;

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

(x) crop pest and animal disease research;

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

(xii) consumer food safety education and outreach;
(xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and

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

(5) by February 1, 2015, the Board of Regents must submit a report to the legislative committees with responsibility for agriculture and higher education finance on the status and outcomes of research and initiatives funded in this section.

(b) **Health Sciences**

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

(c) **Institute of Technology**

For the Geological Survey and the talented youth mathematics program.

(d) **System Special**

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

Of this amount, $125,000 in fiscal year 2014 and $125,000 in fiscal year 2015 are added to the base for the Labor Education Service.

(e) **University of Minnesota and Mayo Foundation Partnership**

Subd. 5. **Academic Health Center**

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

Sec. 6. **MAYO CLINIC**

Subdivision 1. **Total Appropriation**

The amounts that may be spent for the purposes are specified in the following subdivisions.
ARTICLE 2
HIGHER EDUCATION POLICY

Section 1. Minnesota Statutes 2012, section 135A.031, subdivision 7, is amended to read:

Subd. 7. Reports. (a) Instructional and noninstructional expenditure data and enrollment data must be submitted in the biennial budget document under section 135A.034. This report must include a description of the methodology for determining instructional and noninstructional expenditures and estimates of inflation in higher education and the methodology or index used to determine the inflation rate. The University of Minnesota and the Minnesota State Colleges and Universities systems shall include in their biennial budget proposals to the legislature:

(1) a five-year history of systemwide expenditures, reported by:

(i) functional areas, including instruction, research, public service, student financial aid, and auxiliary services, and including direct costs and indirect costs, such as institutional support, academic support, student services, and facilities management, associated with each functional area; and

(ii) objects of expenditure, such as salaries, benefits, supplies, and equipment;

(2) a five-year history of the system's total instructional expenditures per full-year equivalent student, by level of instruction, including upper-division undergraduate, lower-division undergraduate, graduate, professional, and other categories of instructional programs offered by the system;

(3) a five-year history of the system's total revenues by funding source, including tuition, state operations and maintenance appropriations, state special appropriations, other restricted state funds, federal appropriations, sponsored research funds, gifts, auxiliary revenue, indirect cost recovery, and any other revenue sources;

(b) By February 1 of each even-numbered year, the Board of Regents of the University of Minnesota and the Board of Trustees of the Minnesota State Colleges and Universities must submit a report to the chairs of the legislative committees with jurisdiction over higher education policy and finance. The report must describe the following:

(1) an explanation describing how state appropriations made to the system in the previous odd-numbered year biennium were allocated and the methodology used to determine the allocation;

(2) data describing how the institution reallocated resources to advance the priorities set forth in the budget submitted under section 135A.034 and the statewide objectives under section 135A.011. The information must indicate whether instruction and support programs received a reduction in or additional resources. The total amount reallocated must be clearly explained;

(3) the tuition rates and fees established by the governing board in each of the past ten years and comparison data for peer institutions and national averages;

(4) data on the number and proportion of students graduating within four, five, and six years from universities and within three years from colleges as reported in the integrated postsecondary education data system. These data must be provided for each institution by race, ethnicity, and gender. Data and information must be
submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the number and proportion of students that graduate within four, five, or six years from a university or within three years from a college;

(5) (8) data on, and the methodology used to measure, the number of students traditionally underrepresented in higher education enrolled at the system's institutions. Data and information must be submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the recruitment, retention, and timely graduation of students traditionally underrepresented in higher education; and

(6) (9) data on the revenue received from all sources to support research or workforce development activities or the system's efforts to license, sell, or otherwise market products, ideas, technology, and related inventions created in whole or in part by the system. Data and information must be submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the revenue received to support research or workforce development activities or revenue received from the licensing, sale, or other marketing and technology transfer activities by the system.

c) Instructional expenditure and enrollment data. (b) Data required by this subdivision shall be submitted by the public postsecondary systems to the Minnesota Office of Higher Education and the Department of Management and Budget and included in the biennial budget document. The specific data shall be submitted only after the director of the Minnesota Office of Higher Education has consulted with a data advisory task force to determine the need, content, and detail of the information. Representatives from each system, in consultation with the commissioner of management and budget and the director of the Office of Higher Education, shall develop consistent reporting practices for this purpose.

c) To the extent practicable, each system shall develop the ability to respond to legislative requests for financial analyses that are more detailed than those required by this subdivision, including but not limited to analyses that show expenditures or revenues by institution or program, or in multiple categories of expenditures or revenues, and analyses that show revenue sources for particular types of expenditures.

Sec. 2. Minnesota Statutes 2012, section 136A.101, subdivision 9, is amended to read:

Subd. 9. Independent student. "Independent student" has the meaning given it in under Title IV of the Higher Education Act of 1965, United States Code, title 20, section 1070a-6 as amended, and applicable regulations.

Sec. 3. [136A.104] INSTITUTION TERMINATION.

(a) The office shall have the authority to terminate a postsecondary institution's eligibility to participate in state student aid programs if the institution meets one of the following criteria:

(1) violates a provision of Minnesota Statutes, Minnesota Rules, or administrative policies governing student aid programs and fails to correct the violation and reimburse the office for audit findings within the time frame specified in the audit report or other notice furnished by the office;

(2) has a consistent pattern of noncompliance with Minnesota Statutes, Minnesota Rules, or administrative policies governing student aid programs as documented by the office or lacks administrative capability to successfully administer student financial aid programs on campus based on factors including, but not limited to:

(i) adequacy of financial aid staffing levels, experience, training, and turnover of key financial aid staff;

(ii) adequate checks and balances in its system of internal controls;
(iii) maintenance of records required for programs; or

(iv) the ability to participate in the electronic processes used for program administration;

(3) refuses to allow inspection of or provide information relating to financial aid records, after written request by the office;

(4) misappropriates student aid program funds;

(5) falsifies information or engages in misleading or deceptive practices involving the administration of student financial aid programs;

(6) no longer meets institutional eligibility criteria in section 136A.103 or 136A.155, or additional criteria for state grant participation in Minnesota Rules, part 4830.0300, subparts 1 and 2; or

(7) is terminated from participating in federal financial aid programs by the United States Department of Education, if such termination was based on violation of laws, regulations, or participation agreements governing federal financial aid programs.

Sec. 4. [136A.1041] TERMINATION PROCEDURE.

The office shall provide written notice of its intent to terminate an institution's eligibility to participate in student financial aid programs if the institution meets any of the criteria for termination in section 136A.104. The office shall send the institution written notification of the termination which is effective 90 days from the date of the written notification. The office shall also provide an institution an opportunity for a hearing pursuant to chapter 14.

Sec. 5. [136A.1042] REQUEST FOR HEARING.

An institution may request a hearing pursuant to chapter 14 regarding its termination of eligibility to participate in a student aid program. The request must be in writing and must be received by the director within 30 days of the date on the written notification of termination sent by the office. Within ten days of receipt of the request for hearing, the office shall contact the Office of Administrative Hearings to arrange a hearing date.

Sec. 6. [136A.1043] RESTRICTION ON AWARDS DURING TERMINATION PERIOD.

After the notice of termination and until such time as the termination becomes effective, the office reserves the right to withhold further financial aid disbursements to the institution. During this period, the institution may not make any new awards to students but may use any remaining student aid program funds on campus to make disbursements to any students awarded funds prior to the notice of termination.

Sec. 7. [136A.1044] FINAL DECISION; ORDERS.

The director shall render a decision and order in writing following receipt of the report issued by the administrative law judge after the hearing. The final decision of the director shall take into consideration the hearing record and the report of the administrative law judge. The order of the director is the final decision in the termination of the institution's eligibility to participate in a student aid program administered by the office.

Sec. 8. [136A.1045] REINSTATEMENT OF ELIGIBILITY.

An institution terminated from participating in student financial aid programs may submit a request for reinstatement of eligibility. The institution must wait at least 12 consecutive months from the effective date of the termination to submit a request for reinstatement. A request for reinstatement must be in writing and submitted to
the director. If the institution is initially denied reinstatement, the institution must wait at least 90 days from the date of denial of reinstatement to resubmit a subsequent request for reinstatement. If an institution's eligibility is reinstated after the start of the academic term, eligible students shall receive payment retroactively to the beginning of the term during which the institution was reinstated.

Sec. 9. [136A.1046] REINSTATEMENT REQUIREMENTS.

An institution's reinstatement request must include:

(1) written documentation specifying changes the institution has made to successfully address the reasons for termination, as outlined in the termination notice;

(2) permission for the office's staff to conduct a reinstatement audit and to evaluate systems put in place to address the reasons for termination;

(3) evidence of full repayment to the office of student aid program funds the institution improperly received, withheld, disbursed, or caused to be disbursed;

(4) new participation agreements with the office for all student aid programs in which the institution wishes to participate; and

(5) if applicable, documentation of the institution's eligibility to participate in federal financial aid programs.

Sec. 10. [136A.1047] RESPONSE TO REINSTATEMENT REQUEST.

Within 60 days of receiving the institution's reinstatement request, the office shall conduct a reinstatement audit and either:

(1) place the institution on probationary status for a period of one year; or

(2) deny the request based on the institution meeting one or more of the termination criteria in section 136A.104.

Sec. 11. [136A.1048] PROBATIONARY PERIOD.

During the probationary period, the office may audit the institution's records without notice. If, while on probation, the institution violates a condition under section 136A.104, as documented by the office's audit staff, the office must remove the institution from probationary status and deny the request for reinstatement. If the institution fails to successfully complete the probationary period, termination is final and effective within 30 days of written notice of the denial of the reinstatement request.

Sec. 12. [136A.1049] REINSTATEMENT.

If an institution no longer violates a condition under section 136A.104 and successfully completes the probationary period, the office must reinstate the institution's eligibility to participate in student financial aid programs effective the last date of the probationary period.

Sec. 13. [136A.105] STUDENT AWARDS AFTER TERMINATION.

If an institution is terminated from participating in student financial aid programs during a payment period, and a student at the institution was eligible for an award other than a Student Educational Loan Fund loan before the effective date of the institution's termination, the office must issue a payment for that payment period, as long as the student will not receive a payment for the same payment period from another institution and the student continues to meet the program's eligibility requirements.
Sec. 14. Minnesota Statutes 2012, section 136A.125, subdivision 2, is amended to read:

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

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

(2) has a child 12 years of age or younger, or 14 years of age or younger who is disabled as defined in section 125A.02, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;

(3) is income eligible as determined by the office's policies and rules, but is not a recipient of assistance from the Minnesota family investment program;

(4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters or the equivalent;

(5) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;

(6) is enrolled at least half time in an eligible institution; and

(7) is in good academic standing and making satisfactory academic progress.

(b) A student who withdraws from enrollment for active military service or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility and will be considered to be in continuing enrollment status upon return.

Sec. 15. Minnesota Statutes 2012, section 136A.125, subdivision 4, is amended to read:

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

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

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

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

(b) The maximum award to the applicant shall be $2,600 $2,800 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine community market costs and review institutional requests for compensatory grant increases to ensure need and equal treatment. The office shall prepare a chart to show the amount of a grant that will be awarded per child based on the factors in this subdivision. The chart shall include a range of income and family size.

Sec. 16. Minnesota Statutes 2012, section 136A.233, subdivision 2, is amended to read:

Subd. 2. Definitions. For purposes of sections 136A.231 to 136A.233, the words defined in this subdivision have the meanings ascribed to them.

(a) "Eligible student" means a Minnesota resident enrolled or intending to enroll at least half time in a degree, diploma, or certificate program in a Minnesota postsecondary institution.
(b) "Minnesota resident" means a student who meets the conditions in section 136A.101, subdivision 8.

(c) "Financial need" means the need for financial assistance in order to attend a postsecondary institution as determined by a postsecondary institution according to guidelines established by the Minnesota Office of Higher Education.

(d) "Eligible employer" means any eligible postsecondary institution, any nonprofit, nonsectarian agency or state institution located in the state of Minnesota, a disabled person or a person over 65 who employs a student to provide personal services in or about the person's residence, or a private, for-profit employer employing a student as an intern in a position directly related to the student's field of study that will enhance the student's knowledge and skills in that field.

(e) "Eligible postsecondary institution" means any postsecondary institution eligible for participation in the Minnesota state grant program as specified in section 136A.101, subdivision 4.

(f) "Independent student" has the meaning given it in under Title IV of the Higher Education Act of 1965, United States Code, title 20, section 1070a-6 as amended, and applicable regulations.

(g) "Half time" for undergraduates has the meaning given in section 136A.101, subdivision 7b, and for graduate students is defined by the institution.

Sec. 17. Minnesota Statutes 2012, section 136A.646, is amended to read:

136A.646 ADDITIONAL SECURITY.

(a) In the event any registered institution is notified by the United States Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), the institution shall provide a surety bond conditioned upon the faithful performance of all contracts and agreements with students in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than $10,000 nor more than $250,000.

(b) In lieu of a bond, the applicant may deposit with the commissioner of management and budget:

(1) a sum equal to the amount of the required surety bond in cash; or

(2) securities, as may be legally purchased by savings banks or for trust funds, in an aggregate market value equal to the amount of the required surety bond.

(c) The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

Sec. 18. Minnesota Statutes 2012, section 136A.65, subdivision 8, is amended to read:

Subd. 8. Disapproval of registration appeal. (a) If a school's degree or use of a term in its name is disapproved by the office, the school may request a hearing under chapter 14. The request must be in writing and made to the office within 30 days of the date the school is notified of the disapproval.

(b) (a) The office may refuse to renew, revoke, or suspend registration, approval of a school's degree, or use of a regulated term in its name by giving written notice and reasons to the school. The school may request a hearing under chapter 14. If a hearing is requested, no revocation or suspension shall take effect until after the hearing.
Reasons for revocation or suspension of registration or approval may be for one or more of the following reasons:

1. violating the provisions of sections 136A.61 to 136A.71;

2. providing false, misleading, or incomplete information to the office;

3. presenting information about the school which is false, fraudulent, misleading, deceptive, or inaccurate in a material respect to students or prospective students; or

4. refusing to allow reasonable inspection or to supply reasonable information after a written request by the office has been received.

Any order refusing, revoking, or suspending a school's registration, approval of a school's degree, or use of a regulated term in the school's name is appealable in accordance with chapter 14. The request must be in writing and made to the office within 30 days of the date the school is notified of the action of the office. If a school has been operating and its registration has been revoked, suspended, or refused by the office, the order is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

Sec. 19. Minnesota Statutes 2012, section 136A.653, is amended by adding a subdivision to read:

Subd. 5. Free educational courses. A school providing exclusively free training or instructional programs or courses where no tuition, fees, or any other charges are required for a student to participate is exempt from the provisions of sections 136A.61 to 136A.71.

Sec. 20. [136A.89] STATEWIDE ELECTRONIC INFRASTRUCTURE; PORTFOLIO SOLUTIONS.

Subdivision 1. Collaborative infrastructure. (a) The Department of Employment and Economic Development, the Department of Education, the Office of Higher Education, the University of Minnesota, and the Minnesota State Colleges and Universities shall collaborate to implement an electronic infrastructure, maintained under the direction and control of the Office of Higher Education, to support academic and workforce success statewide. The infrastructure shall first utilize existing assets, tools, and services, including but not limited to efolioMinnesota and GPS LifePlan. To facilitate implementation of this section, the Minnesota State Colleges and Universities shall transfer hosting, support, help desk responsibilities, software maintenance, and its intellectual property rights associated with efolioMinnesota and GPS LifePlan to the Office of Higher Education.

(b) To the extent possible, the basic electronic infrastructure shall be available at no charge to all state residents and to all students attending Minnesota educational institutions.

Subd. 2. Goals; programs. The office may enhance the efolioMinnesota platform to allow, at a minimum, implementation of:

1. a portfolio-based individual learning plan solution that includes comprehensive academic and life planning instruments, to support student transitions to postsecondary school or to work; and

2. a student-owned proficiency portfolio solution to support student transitions to the workplace and employers seeking first-day-work-ready employees.

Subd. 3. Resources; accountability reports. (a) The office may seek and accept contributions from individuals, businesses, and other organizations to support the goals required by this section. The parties listed in subdivision 1 are not required to contribute. All contributions received are appropriated to the office and shall be administered as directed by the office.
(b) The director of the Office of Higher Education shall submit, no later than January 15 of each year, a report to the governor and legislature on the progress of the office's activities related to implementation of this section.

Sec. 21. Minnesota Statutes 2012, section 136F.40, subdivision 2, is amended to read:

Subd. 2. Contracts. (a) The board may enter into a contract with the chancellor, a vice-chancellor, or a president, containing terms and conditions of employment. The terms of the contract must be authorized under a plan approved under section 43A.18, subdivision 3a.

(b) Notwithstanding section 43A.17, subdivision 11, or other law to the contrary, a contract under this section may provide a liquidated salary amount or other compensation if a contract is terminated by the board prior to its expiration.

(c) Notwithstanding section 356.24 or other law to the contrary, a contract under this section may contain a deferred compensation plan made in conformance with section 457(f) of the Internal Revenue Code.

(d) Notwithstanding any provision of the plan approved under section 43A.18, subdivision 3a, a contract under this section must not authorize or otherwise provide for a discretionary or mandatory bonus or other performance-based incentive payment.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to contracts entered into on or after that date.

Sec. 22. Minnesota Statutes 2012, section 137.027, is amended to read:

137.027 APPROPRIATION; FRINGE BENEFITS.

(a) Direct appropriations to the University of Minnesota include money to pay the employer's share of Social Security, state retirement, and health insurance. Money provided for these purposes shall be expended only for these purposes and any amounts in excess of the employer's share shall be returned to the state treasury.

(b) Unless otherwise explicitly provided for in law, direct appropriations to the University of Minnesota do not include, and may not be used to pay, any mandatory or discretionary bonus or other performance-based incentive payment provided for in an employment contract with the president or vice-presidents, chancellors, provosts, vice provosts, deans, or directors of individual programs.

Sec. 23. [137.71] MINNESOTA DISCOVERY, RESEARCH, AND INNOVATION ECONOMY FUNDING PROGRAM.

Subdivision 1. Establishment. (a) The Minnesota Discovery, Research, and InnoVation Economy (MnDRIVE) funding program is established to discover new knowledge through scientific research that will:

1. advance the state's economy;

2. leverage opportunities and establish priorities in sectors of state strength and comparative advantage;

3. improve the health and wellbeing of Minnesota's citizens;

4. advance the capacity and competitiveness of existing and emerging food- and manufacturing-related science and technology industries; and
(5) build a better Minnesota by driving progress and advancing the common good.

(b) The MnDRIVE funding program shall establish priorities by investing in scientific research that promotes:

(1) programs that can position Minnesota as a leader in engineering, science, technology, and food-related solutions;

(2) initiatives that support the growth of targeted industry clusters and the competitiveness of existing Minnesota engineering, science, technology, and food companies in developing new products and services;

(3) initiatives that can result in creating new Minnesota-based companies;

(4) initiatives that can improve the quality of life of Minnesota's citizens, decrease the incidence of disease, and transform how we prevent, treat, and cure diseases; and

(5) initiatives that can secure a safer environment, seek sustainable energy solutions, and prevent, diagnose, and treat environmental problems associated with Minnesota industry.

Subd. 2. Funding requests. The Board of Regents of the University of Minnesota, acting alone or in partnership with other public or private entities, is requested to submit investment proposals consistent with the goals and objectives of the MnDRIVE funding program as part of the Board of Regents biennial budget request to the legislature. The Board of Regents must give consideration to investments in existing scientific research programs that meet these guidelines but may require additional resources in order to preserve or accelerate Minnesota into a national or global leadership position. The governor shall submit a recommendation to the legislature regarding funding requests submitted by the Board of Regents.

Subd. 3. Reporting. By March 1 of each odd-numbered year, the Board of Regents of the University of Minnesota must provide to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance a summary report of investments and accomplishments related to funds received from the state under subdivision 2 from the prior biennium.

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

Sec. 24. Minnesota Statutes 2012, section 141.35, is amended to read:

141.35 EXEMPTIONS.

Sections 141.21 to 141.32 shall not apply to the following:

(1) public postsecondary institutions;

(2) postsecondary institutions registered under sections 136A.61 to 136A.71;

(3) schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;

(4) private schools complying with the requirements of section 120A.22, subdivision 4;

(5) courses taught to students in a valid apprenticeship program taught by or required by a trade union;

(6) schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota.
(7) schools licensed by boards authorized under Minnesota law to issue licenses except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(8) schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;

(9) schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects as determined by the office except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names unless the school used "academy" or "institute" in its name prior to August 1, 2008;

(10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

(11) programs in the fine arts provided by organizations exempt from taxation under section 290.05 and registered with the attorney general under chapter 309. For the purposes of this clause, "fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the office may seek the advice and recommendation of the Minnesota Board of the Arts;

(12) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and that are offered exclusively to an individual practicing the profession;

(13) classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(14) classes, courses, or programs providing 16 or fewer clock hours of instruction that are not part of the curriculum for an occupation or entry level employment except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(15) classes, courses, or programs providing instruction in personal development, modeling, or acting;

(16) training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment; and

(17) schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions; and

(18) schools providing exclusively free training or instructional programs or courses where no tuition, fees, or any other charges are required for a student to participate.

Sec. 25. Minnesota Statutes 2012, section 299A.45, subdivision 4, is amended to read:

Subd. 4. Renewal. Each award must be given for one academic year and is renewable for a maximum of eight semesters or the equivalent. A student who withdraws from enrollment for active military service or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility. An award must not be given to a dependent child who is 23 years of age or older on the first day of the academic year.
Sec. 26. **REPEALER.**

(a) Minnesota Statutes 2012, section 136A.031, subdivision 2, is repealed.

(b) Minnesota Rules, parts 4830.0120; 4830.0130; 4830.0140; 4830.0150; 4830.0160; 4830.0170; 4830.0180; 4830.0190; and 4830.0195, are repealed."

Delete the title and insert:

"A bill for an act relating to education; postsecondary; establishing a budget for higher education; appropriating money to the Office of Higher Education, the Board of Trustees of the Minnesota State Colleges and Universities, the Board of Regents of the University of Minnesota, and the Mayo Clinic; prohibiting tuition increases; regulating bonus payments; establishing the Minnesota Discovery, Research, and InnoVation Economy funding program; providing statewide electronic infrastructure; modifying provisions related to student grants, awards, and aid, school registration, and licensure; requiring certain information to be provided in higher education budget proposals; modifying procedures related to terminating institutions from financial aid programs; establishing procedure for cancellation of required surety bond; repealing Higher Education Advisory Council; amending Minnesota Statutes 2012, sections 135A.031, subdivision 7; 136A.101, subdivision 9; 136A.125, subdivisions 2, 4; 136A.233, subdivision 2; 136A.646; 136A.65, subdivision 8; 136A.653, by adding a subdivision; 136F.40, subdivision 2; 137.027; 141.35; 299A.45, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 136A; 137; repealing Minnesota Statutes 2012, section 136A.031, subdivision 2; Minnesota Rules, parts 4830.0120; 4830.0130; 4830.0140; 4830.0150; 4830.0160; 4830.0170; 4830.0180; 4830.0190; and 4830.0195."

With the recommendation that when so amended the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. No. 630 was read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 1236 was read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Barrett introduced:

H. F. No. 1787, A bill for an act relating to stadiums; requiring private stadium revenues to be paid into the state treasury; requiring stand-alone owner payment; amending Minnesota Statutes 2012, section 473J.15, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Government Operations.
Barrett introduced:

H. F. No. 1788, A bill for an act relating to stadiums; requiring naming rights, seat licenses, and NFL loan revenue to be used for the state share of stadium costs; amending Minnesota Statutes 2012, section 473J.15, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Government Operations.

Dill introduced:

H. F. No. 1789, A bill for an act relating to human services; modifying critical access nursing facilities provisions; appropriating money; amending Minnesota Statutes 2012, section 256B.441, subdivision 63.

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

Sundin and Metsa introduced:

H. F. No. 1790, A bill for an act relating to taxation; sales and use; imposing a higher rate of tax on foreign-made goods; amending Minnesota Statutes 2012, section 297A.62, subdivision 1, by adding a subdivision.

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

Newberger introduced:

H. F. No. 1791, A bill for an act relating to taxation; property; establishing an education property tax credit program; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Murphy, M.; Simon and Johnson, B., introduced:

H. F. No. 1792, A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

The bill was read for the first time and referred to the Committee on Ways and Means.

Murphy, E., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.
MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 75, A bill for an act relating to health; requiring continuing education hours for certification as a community paramedic; amending Minnesota Statutes 2012, section 144E.28, subdivision 9.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 834, A bill for an act relating to metropolitan planning activities; extending the sunset date of the Metropolitan Area Water Supply Advisory Committee; amending Minnesota Statutes 2012, section 473.1565, subdivision 2.

JOANNE M. ZOFF, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 321, 380, 745, 887 and 1016.

JOANNE M. ZOFF, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 321, A bill for an act relating to health; amending the duties and reporting dates for an existing task force on prematurity; amending Laws 2011, First Special Session chapter 9, article 2, section 27.

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

S. F. No. 380, A bill for an act relating to workforce development; adding a representative from adult basic education programs to the Workforce Development Council; amending Minnesota Statutes 2012, section 116L.665, subdivision 2.

The bill was read for the first time.

Albright moved that S. F. No. 380 and H. F. No. 758, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.
S. F. No. 745, A bill for an act relating to state government; classifying or modifying certain provisions concerning data practices; requiring informed consent; amending definitions; allowing disclosure of certain data; allowing access to certain records; making technical changes; modifying certain provisions regarding transportation and health data; modifying certain provisions regarding criminal history records, criminal background checks, and other criminal justice data provisions; extending for six years the sunset provision for the newborn screening advisory committee; providing for accreditation of forensic laboratories; repealing the McGruff safe house program; amending Minnesota Statutes 2012, sections 13.37, subdivision 1; 13.386, subdivision 3; 13.43, subdivisions 2, 14; 13.46, subdivision 2; 13.72, subdivision 10, by adding subdivisions; 144.966, subdivisions 2, 3, 4, by adding subdivisions; 171.07, subdivision 1a; 171.12, subdivision 7; 241.065, subdivision 4; 268.19, subdivision 1; 299C.11, subdivision 1; 299C.46, subdivisions 1, 2, 2a, 3; 299F.035, subdivisions 1, 2; 299F.77; 340A.301, subdivision 2; 340A.402; 611.272; 626.556, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 13; 144; 299C; repealing Minnesota Statutes 2012, section 299A.28.

The bill was read for the first time.

Simon moved that S. F. No. 745 and H. F. No. 695, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 887, A bill for an act relating to health; classifying criminal history record data on Minnesota Responds Medical Reserve Corps volunteers; requiring certain interviews for investigation of vulnerable adult complaints against HMO; enacting the Minnesota Radon Awareness Act; requiring radon education disclosure for residential real property; changing provisions for tuberculosis standards; changing adverse health events reporting requirements; modifying a poison control provision; providing liability coverage for certain volunteer medical personnel and permitting agreements to conduct criminal background studies; changing provisions for body art establishments and body art technicians; defining occupational therapy practitioners; changing provisions for occupational therapy; amending prescribing authority for legend drugs; providing penalties; amending Minnesota Statutes 2012, sections 13.381, by adding a subdivision; 62Q.106; 144.1501, subdivision 4; 144.50, by adding a subdivision; 144.55, subdivision 3; 144.56, by adding a subdivision; 144.7065, subdivisions 2, 3, 4, 5, 6, 7, by adding a subdivision; 144A.04, by adding a subdivision; 144A.45, by adding a subdivision; 144A.53, subdivision 2; 144A.752, by adding a subdivision; 144D.08; 145.93, subdivision 3; 145A.04, by adding a subdivision; 145A.06, subdivision 7; 146B.02, subdivisions 2, 8; 146B.03, by adding a subdivision; 146B.07, subdivision 5; 148.6402, by adding a subdivision; 148.6440; 151.37, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; 145A; 513; repealing Minnesota Statutes 2012, sections 144.1487; 144.1488; 144.1489; 144.1490; 144.1491; 146B.03, subdivision 10; 148.7808, subdivision 2; 148.7813; 325F.814; 609.2246.

The bill was read for the first time.

Laine moved that S. F. No. 887 and H. F. No. 662, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.


The bill was read for the first time.

Fritz moved that S. F. No. 1016 and H. F. No. 1124, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.
H. F. No. 1160 was reported to the House.

Scott moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 3, line 1, delete "10,932,000" and insert "10,886,000"

Page 3, delete lines 2 to 4

Page 7, delete section 5

Renumber the sections in sequence

Amend the appropriations by the specified amounts and correct the totals and the appropriations by fund accordingly.

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 57 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler
Albright
Anderson, M.
Anderson, P.
Anderson, S.
Barrett
Beard
Benson, M.
Daudt
Davids

Those who voted in the negative were:

Allen
Anzele
Atkins
Benson, J.
Bernardy
Bly
Brynaert
Carlson
Clark
Cornish
Davnie
Dehn, R.

The motion did not prevail and the amendment was not adopted.
O'Neill moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 2, after line 8, insert:

"Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>43,109,000</td>
<td>43,997,000</td>
</tr>
<tr>
<td>Special Revenue Fund</td>
<td>2,538,000</td>
<td>3,046,000</td>
</tr>
</tbody>
</table>

Page 2, line 9, delete "43,109,000" and insert "45,647,000" and delete "43,997,000" and insert "47,043,000"

Page 2, after line 17, insert:

"Court technology funds. $2,538,000 in fiscal year 2014 and $3,046,000 in fiscal year 2015 is from the court technology account in the special revenue fund and is for activities under section 12."

Page 4, after line 15, insert:

"Sec. 12. COURT TECHNOLOGY FUND.

(a) In addition to any other filing fee under chapter 357, the court administrator shall collect a $2 technology fee on filings made under section 357.021, subdivision 2, clauses (1) to (13). The court administrator shall transmit the fee monthly to the commissioner of management and budget for deposit in the court technology account in the special revenue fund.

(b) A court technology account is established as a special account in the state treasury and funds deposited in the account are appropriated to the Supreme Court for technology purposes, including but not limited to acquisition, development, support, maintenance, and upgrades to computer systems, equipment and devices, network systems, electronic records, filings and payment systems, interactive video teleconferencing, and online services.

(c) On January 15, 2015, and every two years thereafter, the Supreme Court shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over judiciary finance providing an accounting on the amounts collected and expended in the previous biennium.

EFFECTIVE DATE. This section is effective July 1, 2013, and applies to filings made on or after that date."

Page 4, delete section 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Adjust amounts and fund totals accordingly

A roll call was requested and properly seconded.
The question was taken on the O'Neill amendment and the roll was called. There were 57 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler  Davids  Gunther  Kresha  O'Neill  Torkelson
Albright  Dean, M.  Hackbart  Leidiger  Peppin  Uglem
Anderson, M.  Dettmer  Hamilton  Lohmer  Petersburg  Urdahl
Anderson, P.  Drazkowski  Hertaus  Loon  Pugh  Wills
Anderson, S.  Erickson, S.  Holberg  Mack  Quam  Woodard
Barrett  Fabian  Hoppe  McNamara  Runbeck  Zellers
Beard  FitzSimmons  Howe  Myhra  Sanders  Zerwas
Benson, M.  Franson  Johnson, B.  Newberger  Schomacker  
Cornish  Green  Kieff  Nornes  Scott  
Daudt  Gruenhagen  Kiel  O'Driscoll  Swedzinski  

Those who voted in the negative were:

Allen  Erhardt  Hortman  Loeffler  Murphy, M.  Schoen
Anzelc  Erickson, R.  Huntley  Mahoney  Nelson  Selker
Atkins  Falk  Isaacson  Mariani  Newton  Simon
Benson, J.  Faust  Johnson, C.  Marquart  Norton  Simonson
Bernardy  Fischer  Johnson, S.  Masin  Paymar  Sundin
Bly  Freiberg  Kahn  McNamara  Pelowski  Wagenius
Brynaert  Fritz  Laine  Melin  Persell  Ward, J.A.
Carlson  Halverson  Lenczewski  Metsa  Poppe  Ward, J.E.
Clark  Hansen  Lesch  Moran  Radinovich  Winkler
Daynie  Hausman  Liebling  Morgan  Rosenthal  Yarusso
Dehn, R.  Hilstrom  Lien  Mullery  Savick  Spk. Thissen
Dorholt  Hornstein  Lillie  Murphy, E.  Sawatzky  

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

Drazkowski moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 7, line 15, delete the new language and reinstate the stricken language
Page 7, line 16, delete the new language and insert "$135.31"
Page 7, delete lines 21 to 27

Drazkowski moved to amend his amendment to H. F. No. 1160, the second engrossment, as follows:

Page 1, after line 1, insert:

"Page 2, line 13, delete "31,593,000" and insert "31,585,000" and delete "32,481,000" and insert "32,469,000"
Page 3, line 1, delete "10,547,000" and insert "10,545,000" and delete "10,932,000" and insert "10,927,000"
Page 3, line 5, delete "246,327,000" and insert "246,277,000" and delete "255,455,000" and insert "255,348,000"
Page 4, line 1, before "From" insert "(a) Transcripts."

Page 4, after line 3, insert:

"(b) Lawyer registration fee. The $75 increase in the annual lawyer registration fee allocated to the Board of Public Defense and imposed by administrative order no. ADM10-8002 is extended indefinitely. The state court administrator shall forward the fees to the commissioner of management and budget for deposit in the public defender fee account in the special revenue fund established in section 481.22.""

Page 1, line 3, delete "135" and insert "65"

Page 1, after line 4, insert:

"Adjust amounts accordingly"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler  Davids  Gunther  Kresha  Nornes  Scott
Albright  Dean, M.  Hackbart  Leidiger  O'Driscoll  Swedzinski
Anderson, M.  Dettmer  Hamilton  Liebling  O'Neill  Torkelson
Anderson, P.  Drazkowski  Hertaus  Lohmer  Peppin  Uglem
Anderson, S.  Erickson, S.  Holberg  Loom  Petersburg  Udahl
Barrett  Fabian  Hoppe  Mack  Pugh  Wills
Beard  FitzSimmons  Howe  McDonald  Quam  Woodard
Benson, M.  Franson  Johnson, B.  McNamara  Runbeck  Zellers
Cornish  Green  Kieffer  Myhra  Sanders  Zerwas
Daudt  Gruenhagen  Kiel  Newberger  Schomacker

Those who voted in the negative were:

Allen  Erhardt  Hortman  Mahoney  Nelson  Simon
Anzele  Erickson, R.  Huntley  Mariani  Newton  Simonson
Atkins  Falk  Isaacson  Marquart  Norton  Sundin
Benson, J.  Faust  Johnson, C.  Masin  Pelowski  Wagenius
Bernardy  Fischer  Johnson, S.  McNamara  Persell  Ward, J.A.
Bly  Freiberg  Kahn  Melin  Poppe  Ward, J.E.
Brynaert  Fritz  Laine  Metsa  Radinovich  Winkler
Carlson  Halverson  Lenczewski  Moran  Rosenthal  Yarusso
Clark  Hansen  Lesch  Morgan  Savick  Spk. Thissen
Davnie  Hausman  Lien  Mullery  Sawatzky
Dehn, R.  Hilstrom  Lillie  Murphy, E.  Schoen
Dorholt  Hornstein  Loeffler  Murphy, M.  Selcer

The motion did not prevail and the amendment to the amendment was not adopted.
Drazkowski withdrew his amendment to H. F. No. 1160, the second engrossment.

Drazkowski moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 3, delete lines 2 to 4

Page 3, line 9, delete "12,414,000" and insert "4,700,000" and delete "12,756,000" and insert "4,700,000"

Page 3, line 28, delete "70,698,000" and insert "34,134,000" and delete "73,649,000" and insert "34,429,000"

Page 4, delete article 2

Page 19, after line 5, insert:

"ARTICLE 3
GUARDIANS AD LITEM AND PUBLIC DEFENDERS

Section 1. Minnesota Statutes 2012, section 480.35, subdivision 3, is amended to read:

Subd. 3. State guardian ad litem program administrator. (a) The State Guardian Ad Litem Board shall appoint a program administrator who serves at the pleasure of the board. The program administrator is not required to be licensed to practice law. The program administrator shall attend all meetings of the board, but may not vote, and shall:

(1) carry out all administrative functions necessary for the efficient and effective operation of the board and the guardian ad litem program, including but not limited to recruiting and overseeing volunteers to perform the duties of guardians ad litem and hiring, supervising, and disciplining program staff and guardians ad litem;

(2) implement, as necessary, resolutions, standards, rules, regulations, and policies of the board;

(3) keep the board fully advised as to its financial condition, and prepare and submit to the board the annual guardian ad litem program and State Guardian Ad Litem Board budget and other financial information as requested by the board;

(4) recommend to the board the adoption of rules and regulations necessary for the efficient operation of the board and the state guardian ad litem program; and

(5) perform other duties prescribed by the board.

(b) On and after July 1, 2013, the program administrator shall utilize only volunteers to perform the duties of guardians ad litem.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 2. Minnesota Statutes 2012, section 480.35, is amended by adding a subdivision to read:

Subd. 3b. Continuing legal education credits. Notwithstanding the Rules of the Minnesota State Board of Continuing Legal Education, a lawyer may claim one hour of standard continuing legal education credit for every three hours of performing duties as a volunteer guardian ad litem.

EFFECTIVE DATE. This section is effective July 1, 2013.
Sec. 3. Minnesota Statutes 2012, section 480.35, subdivision 5, is amended to read:

Subd. 5. **Benefits.** Any **guardian ad litem** program staff employee who transferred to state employment on or before July 1, 2005, may retain county benefits elected under section 480.181.

**EFFECTIVE DATE.** This section is effective July 1, 2013.

Sec. 4. Minnesota Statutes 2012, section 518.165, subdivision 3, is amended to read:

Subd. 3. **Fees Volunteers.** (a) A guardian ad litem appointed under either subdivision 1 or 2 shall be appointed either as a volunteer or on a fee basis. If a guardian ad litem is appointed on a fee basis, the court shall enter an order for costs, fees, and disbursements in favor of the child's guardian ad litem. The order may be made against either or both parties, except that any part of the costs, fees, or disbursements which the court finds the parties are incapable of paying shall be borne by the State Guardian Ad Litem Board. The costs of court-appointed counsel to the guardian ad litem shall be paid by the State Guardian Ad Litem Board if a party is incapable of paying for them. In no event may the court order that costs, fees, or disbursements be paid by a party receiving public assistance or legal assistance or by a party whose annual income falls below the poverty line as established under United States Code, title 42, section 9902(2).

(b) In each fiscal year, the commissioner of management and budget shall deposit guardian ad litem reimbursements in the special revenue fund and credit them to a separate account with the State Guardian Ad Litem Board. The balance of this account is appropriated to the State Guardian Ad Litem Board and does not cancel but is available until expended. Revenue from this account must be spent in the judicial district in which the reimbursement is collected.

**EFFECTIVE DATE.** This section is effective July 1, 2013.

Sec. 5. Minnesota Statutes 2012, section 611.215, subdivision 2, is amended to read:

Subd. 2. **Duties and responsibilities.** (a) The board shall approve and recommend to the legislature a budget for the board, the office of state public defender, the judicial district public defenders, and the public defense corporations.

(b) The board shall establish procedures for distribution of state funding under this chapter to the state and district public defenders and to the public defense corporations.

(c) The state public defender with the approval of the board shall establish standards for the offices of the state and district public defenders and for the conduct of all appointed counsel systems. The standards must include, but are not limited to:

1. standards needed to maintain and operate an office of public defender including requirements regarding the qualifications, training, and size of the legal and supporting staff for a public defender or appointed counsel system;

2. standards for public defender caseloads;

3. standards and procedures for the eligibility for appointment, assessment, and collection of the costs for legal representation provided by public defenders or appointed counsel;

4. standards for **contracts between a board of county commissioners and a county public defender system** contracting of public defense services for the legal representation of indigent persons;
(5) standards prescribing minimum qualifications of counsel appointed under the board's authority or by the courts; and

(6) standards ensuring the independent, competent, and efficient representation of clients whose cases present conflicts of interest, in both the trial and appellate courts.

d) The board may require the reporting of statistical data, budget information, and other cost factors by the state and district public defenders and appointed counsel systems.

Sec. 6. Minnesota Statutes 2012, section 611.24, is amended to read:

**611.24 CHIEF APPELLATE PUBLIC DEFENDER; ORGANIZATION OF OFFICE; ASSISTANTS.**

(a) Beginning January 1, 2007, and for every four years after that date, the State Board of Public Defense shall appoint a chief appellate public defender in charge of appellate services, who shall employ or retain assistant state public defenders under contract and employ other personnel as may be necessary to discharge the functions of the office. The chief appellate public defender shall serve a four-year term and may be removed only for cause upon the order of the State Board of Public Defense. The chief appellate public defender shall be a full-time qualified attorney, licensed to practice law in this state, and serve in the unclassified service of the state. Vacancies in the office shall be filled by the appointing authority for the unexpired term.

(b) An assistant state public defender shall be a qualified attorney, licensed to practice law in this state, serve in the unclassified service of the state if employed, and serve at the pleasure of the appointing authority at a salary or retainee fee not to exceed reasonable compensation for comparable services performed for other governmental agencies or departments as an independent contractor. Retained or part-time employed assistant state public defenders may engage in the general practice of law. The compensation of the chief appellate public defender and the compensation of each assistant state public defender shall be set by the State Board of Public Defense. The chief appellate public defender shall devote full time to the performance of duties and shall not engage in the general practice of law.

(c) The incumbent deputy state public defender as of December 31, 2006, shall be appointed as the chief appellate public defender for the four-year term beginning on January 1, 2007.

Sec. 7. Minnesota Statutes 2012, section 611.26, subdivision 3, is amended to read:

Subd. 3. **Compensation.** (a) The compensation of the chief district public defender and the compensation of each assistant district public defender shall be set by the Board of Public Defense. To assist the Board of Public Defense in determining compensation under this subdivision, counties shall provide to the board information on the compensation of county attorneys, including salaries and benefits, rent, secretarial staff, and other pertinent budget data. For purposes of this subdivision, compensation means salaries, cash payments, and employee benefits including paid time off and group insurance benefits, and other direct and indirect items of compensation including the value of office space provided by the employer.

(b) This subdivision does not limit the rights of public defenders to collectively bargain with their employers.

Sec. 8. Minnesota Statutes 2012, section 611.26, subdivision 3a, is amended to read:

Subd. 3a. **Budget; compensation.** (a) Notwithstanding subdivision 3 or any other law to the contrary, compensation and economic benefit increases for chief district public defenders and assistant district public defenders, who are full-time county employees, shall be paid out of the budget for that judicial district public defender's office.
(b) In the Second Judicial District, the district public defender's office shall be funded by the Board of Public Defense. The budget for the Second Judicial District Public Defender's Office shall not include Ramsey County property taxes.

(c) In the Fourth Judicial District, the district public defender's office shall be funded by the Board of Public Defense and by the Hennepin County Board. Personnel expenses of state employees and independent contractors hired on or after January 1, 1999, in the Fourth Judicial District Public Defender's Office shall be funded by the Board of Public Defense.

(d) Those budgets for district public defender services in the Second and Fourth Judicial Districts under the jurisdiction of the state Board of Public Defense shall be eligible for adjustments to their base budgets in the same manner as other state agencies. In making biennial budget base adjustments, the commissioner of management and budget shall consider the budgets for district public defender services in all judicial districts, as allocated by the state Board of Public Defense, in the same manner as other state agencies.

Sec. 9. Minnesota Statutes 2012, section 611.26, subdivision 4, is amended to read:

Subd. 4. Assistant public defenders. A chief district public defender shall appoint retain assistants under contract who are qualified attorneys licensed to practice law in this state and employ other staff as the chief district public defender finds prudent and necessary subject to the standards adopted by the state public defender. Assistant district public defenders must be appointed to ensure broad geographic representation and caseload distribution within the district. Each assistant district public defender serves at the pleasure of the chief district public defender. A chief district public defender is authorized, subject to approval by the state Board of Public Defense or their designee, to hire as an independent contractor to perform the duties of an assistant public defender.

Sec. 10. Minnesota Statutes 2012, section 611.26, subdivision 7, is amended to read:

Subd. 7. Other employment. Assistant district public defenders may engage in the general practice of law where not employed on a full-time basis.

Sec. 11. Minnesota Statutes 2012, section 611.263, is amended to read:

611.263 EMPLOYER; RAMSEY, HENNEPIN DEFENDERS.

Subdivision 1. Employees. (a) Except as provided in subdivision 3, the chief district public defender and assistant public defenders of the Second Judicial District are employees of Ramsey County in the unclassified service under section 383A.286.

(b) Except as provided in subdivision 3, the chief district public defender and assistant public defenders of the Fourth Judicial District are employees of Hennepin County under section 383B.63, subdivision 6.

Subd. 2. Public employer. (a) Except as provided in subdivision 3, and notwithstanding section 179A.03, subdivision 15, clause (c), the Ramsey County Board is the public employer under the Public Employment Labor Relations Act for the chief district public defender and assistant public defenders of the Second Judicial District.

(b) Except as provided in subdivision 3, and notwithstanding section 179A.03, subdivision 15, clause (c), the Hennepin County Board is the public employer under the Public Employment Labor Relations Act for the chief district public defender and assistant public defenders of the Fourth Judicial District.

Subd. 3. Exception. Notwithstanding section 611.265, district public defenders and employees in the Second and Fourth Judicial Districts who are hired on or after January 1, 1999, are state employees of the Board of Public Defense and are governed by the personnel rules adopted by the Board of Public Defense. Employees of the public defender's office in the Second and Fourth Judicial Districts who are hired before January 1, 1999, remain employees of Ramsey and Hennepin Counties, respectively, under subdivisions 1 and 2.
Sec. 12. Minnesota Statutes 2012, section 611.265, is amended to read:

611.265 TRANSITION.

(a) The state public defender, chief administrator, chief appellate defender, chief district public defenders and their employees, other than in the Second and Fourth Judicial Districts, are state employees in the judicial branch, and are governed by the personnel rules adopted by the state Board of Public Defense.

(b) A district public defender or district public defender An employee listed in paragraph (a) who becomes a state employee under this section, and who participated in a county insurance program on June 30, 1993, may elect to continue to participate in the county program according to procedures established by the Board of Public Defense. An affected county shall bill the Board of Public Defense for employer contributions, in a manner prescribed by the board. The county shall not charge the board any administrative fee. Notwithstanding any law to the contrary, a person who is first employed as a district public defender after July 1, 1993, shall participate in the state employee insurance program, as determined by the state Board of Public Defense, in consultation with the commissioner of management and budget.

(c) A district public defender or district public defender An employee listed in paragraph (a) who becomes a state employee under this section, and who participated in the Public Employee Retirement Association on June 30, 1993, may elect to continue to participate in the Public Employees Retirement Association according to procedures established by the Board of Public Defense and the association. Notwithstanding any law to the contrary, a person who is first employed as a state employee or by a district public defender after July 1, 1993, must participate in the Minnesota State Retirement System.

(d) A person performing district public defender work as an independent contractor is not eligible to be covered under the state group insurance plan or the Public Employee Retirement Association.

(e) Notwithstanding chapter 179A, current assistant public defender employees become independent contractors effective July 1, 2013.

Sec. 13. REPEALER.

Minnesota Statutes 2012, sections 260B.331, subdivision 6; and 260C.331, subdivision 3, are repealed.

Amend the appropriations by the specified amounts and correct the totals and the appropriations by fund accordingly.

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 55 yeas and 73 nays as follows:

Those who voted in the affirmative were:
The motion did not prevail and the amendment was not adopted.

The Speaker called Hortman to the Chair.

Pugh moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 3, line 10, delete "993,000" and insert "986,000" and delete "1,000,000" and insert "986,000"

Page 3, line 16, delete "759,000" and insert "756,000" and delete "461,000" and insert "456,000"

Page 4, line 4, delete "891,000" and insert "886,000" and delete "596,000" and insert "586,000"

Adjust amounts accordingly

A roll call was requested and properly seconded.

The question was taken on the Pugh amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Those who voted in the negative were:
Those who voted in the negative were:

Allen      Erhardt      Hortman     Loeffler     Murphy, M.     Simon
Anzelc     Erickson, R.  Huntley     Mahoney     Nelson       Simonson
Atkins     Falk         Isacson     Mariani     Newton       Sundin
Benson, J. Faust        Johnson, C. Marquart     Paymar       Wagenius
Bernardy  Fischer      Johnson, S. Masin        Pelowski     Ward, J.A.
Bly        Freiberg     Kahn        McNamar     Persell     Ward, J.E.
Brynaert  Fritz        Laine       Melin        Poppe       Winkler
Carlson    Halverson    Lenczewski Metsa        Radinovich  Yarusso
Clark      Hansen       Lesch       Moran       Savick       Spk. Thissen
Davnie      Hausman     Liebling    Morgan      Sawatzky   
Dehn, R.    Hilstrom     Lien        Mullery     Schoen
Dorholt    Hornstein    Lillie      Murphy, E.  Selcer

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

Johnson, B., moved to amend H. F. No. 1160, the second engrossment, as follows:

Page 1, lines 18 and 19, delete "385,885,000" and insert "380,193,000" and delete "398,930,000" and insert "387,387,000" and delete "784,815,000" and insert "767,580,000"

Page 2, line 9, delete "43,109,000" and insert "42,730,000" and delete "43,997,000" and insert "43,223,000"

Page 2, line 13, delete "31,593,000" and insert "31,214,000" and delete "32,481,000" and insert "31,707,000"

Page 3, line 1, delete "10,547,000" and insert "10,395,000" and delete "10,932,000" and insert "10,622,000"

Page 3, line 5, delete "246,327,000" and insert "242,739,000" and delete "255,455,000" and insert "248,136,000"

Page 3, line 9, delete "12,414,000" and insert "12,067,000" and delete "12,756,000" and insert "12,067,000"

Page 3, line 10, delete "993,000" and insert "986,000" and delete "1,000,000" and insert "986,000"

Page 3, line 16, delete "759,000" and insert "756,000" and delete "461,000" and insert "456,000"

Page 3, line 28, delete "70,698,000" and insert "69,487,000" and delete "73,649,000" and insert "71,227,000"

Page 4, line 4, delete "891,000" and insert "886,000" and delete "596,000" and insert "586,000"

Page 4, delete article 2

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.
The question was taken on the Johnson, B., amendment and the roll was called. There were 55 yeas and 70 nays as follows:

Those who voted in the affirmative were:


Those who voted in the negative were:

Allen  Anzelc  Atkins  Benson, J.  Bernardy  Bly  Brynaert  Carlson  Clark  Davnie  Dehn, R.  Dorholt

Allen  Anzelc  Atkins  Benson, J.  Bernardy  Bly  Brynaert  Carlson  Clark  Davnie  Dehn, R.  Dorholt

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

H. F. No. 1160, A bill for an act relating to judiciary; imposing certain court fees and surcharge; creating a court technology account in the special revenue fund; reimbursing certain expenses of Court of Appeals judges; modifying certain provisions related to guardians and conservators; appropriating money for judiciary, guardian ad litem board, tax court, Board on Judicial Standards, Board of Public Defense, Uniform Laws Commission, and sentencing guidelines; amending Minnesota Statutes 2012, sections 245C.32, subdivision 2; 357.021, subdivisions 6, 7, by adding a subdivision; 357.022; 480A.02, subdivision 7; 524.5-118, subdivision 1, by adding a subdivision; 524.5-303; 524.5-316; 524.5-403; 524.5-420; 629.59.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Allen  Bernardy  Clark  Erhardt  Fischer  Hansen  Anzelc  Bly  Brynaert  Carlson  Dorholt

Allen  Bernardy  Clark  Erhardt  Fischer  Hansen  Anzelc  Bly  Brynaert  Carlson  Dorholt

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 59 nays as follows:

Those who voted in the affirmative were:
Those who voted in the negative were:

Abeler   Davids   Gunther   Kiel   Nornes   Scott
Albright Dean, M. Hack Barth Kresha O'Driscoll Swedzinski
Anderson, M. Dettmer Hamilton Leidiger O'Neill Torkelson
Anderson, P. Drazkowski Hertaus Lohmer Peppin Uglem
Anderson, S. Erickson, S. Holberg Looon Petersburg Urdahl
Barrett   Fabian   Hoppe   Mack   Pugh   Wills
Beard     FitzSimmons Howe McDonald Quam Woodard
Benson, M. Franson Johnson, B. McNamara Runbeck Zellers
Cornish  Green   Kelly   Myhra   Sanders Zerwas
Daudt    Gruenhagen Kieffer Newberger Schomacker

The bill was passed and its title agreed to.

S. F. No. 671 was reported to the House.

Paymar moved to amend S. F. No. 671, the first engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 724, the second engrossment:

"Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$569,154,000</td>
<td>$575,745,000</td>
<td>$1,144,899,000</td>
</tr>
<tr>
<td>State Government</td>
<td>59,491,000</td>
<td>63,992,000</td>
<td>123,483,000</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>69,000</td>
<td>69,000</td>
<td>138,000</td>
</tr>
<tr>
<td>Environmental</td>
<td>14,582,000</td>
<td>14,582,000</td>
<td>29,164,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>2,266,000</td>
<td>2,266,000</td>
<td>4,532,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$645,562,000</strong></td>
<td><strong>$656,654,000</strong></td>
<td><strong>$1,301,966,000</strong></td>
</tr>
</tbody>
</table>

Sec. 2. PUBLIC SAFETY APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015. Appropriations for the fiscal year ending June 30, 2013, are effective the day following final enactment.
Sec. 3. **PUBLIC SAFETY**

Subdivision 1. **Total Appropriation**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$157,246,000</td>
<td>$161,550,000</td>
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</table>

**Appropriations by Fund**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>84,608,000</td>
<td>84,411,000</td>
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<tr>
<td>Special Revenue</td>
<td>11,062,000</td>
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<tr>
<td>State Government Special Revenue</td>
<td>59,241,000</td>
<td>63,742,000</td>
</tr>
<tr>
<td>Environmental</td>
<td>69,000</td>
<td>69,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>2,266,000</td>
<td>2,266,000</td>
</tr>
</tbody>
</table>

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

Subd. 2. **Emergency Management**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,079,000</td>
<td>3,029,000</td>
</tr>
</tbody>
</table>

**Appropriations by Fund**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>2,406,000</td>
<td>2,356,000</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>604,000</td>
<td>604,000</td>
</tr>
<tr>
<td>Environmental</td>
<td>69,000</td>
<td>69,000</td>
</tr>
</tbody>
</table>

(a) **Hazmat and Chemical Assessment Teams**

$604,000 each year is from the fire safety account in the special revenue fund. These amounts must be used to fund the hazardous materials and chemical assessment teams.

(b) **School Safety**

$555,000 the first year and $505,000 the second year from the general fund are to reinstate the school safety center and to provide for school safety.

Subd. 3. **Criminal Apprehension**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>47,588,000</td>
<td>47,197,000</td>
</tr>
</tbody>
</table>

**Appropriations by Fund**

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<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
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<tbody>
<tr>
<td>General</td>
<td>45,315,000</td>
<td>44,924,000</td>
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<tr>
<td>State Government Special Revenue</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>2,266,000</td>
<td>2,266,000</td>
</tr>
</tbody>
</table>
(a) **DWI Lab Analysis; Trunk Highway Fund**

$1,941,000 each year is from the trunk highway fund for laboratory analysis related to driving-while-impaired cases.

(b) **Criminal History System**

$3,050,000 the first year and $2,580,000 the second year from the general fund are to replace the state criminal history system. This is a onetime appropriation and is available until expended. Of this amount, $2,980,000 the first year and $2,580,000 the second year are for a onetime transfer to the Office of Enterprise Technology for start-up costs. The commissioner shall enter a service level agreement with the Office of Enterprise Technology specifying the obligations and responsibilities of each party. Payments shall be made under the rates and mechanism specified in that agreement. Ongoing operating and support costs for this system shall be identified and incorporated into future service level agreements.

The commissioner is authorized to use funds appropriated under this paragraph for the purposes specified in paragraph (c).

(c) **Criminal Reporting System**

$1,360,000 the first year and $1,360,000 the second year from the general fund are to replace the state's crime reporting system. This is a onetime appropriation and is available until expended. Of these amounts, $1,360,000 the first year and $1,360,000 the second year are for a onetime transfer to the Office of Enterprise Technology for start-up costs. The commissioner shall enter a service level agreement with the Office of Enterprise Technology specifying the obligations and responsibilities of each party. Payments shall be made under the rates and mechanism specified in that agreement. Ongoing operating and support costs for this system shall be identified and incorporated into future service level agreements.

The commissioner is authorized to use funds appropriated under this paragraph for the purposes specified in paragraph (b).

(d) **Forensic Laboratory**

$125,000 the first year and $125,000 the second year from the general fund and $125,000 the first year and $125,000 the second year from the trunk highway fund are to replace forensic laboratory equipment at the Bureau of Criminal Apprehension.

$200,000 the first year and $200,000 the second year from the general fund and $200,000 the first year and $200,000 the second year from the trunk highway fund are to improve forensic laboratory staffing at the Bureau of Criminal Apprehension.
(c) **Livescan Fingerprinting**

$310,000 the first year and $389,000 the second year from the general fund are to maintain Livescan fingerprinting machines.

(f) **Base adjustment**

The Bureau of Criminal Apprehension general fund base is increased by $3,470,000 in fiscal year 2016 and decreased by $643,000 in fiscal year 2017.

(g) **Transfer**

$2,500,000 the first year and $2,500,000 the second year are transferred from the vehicle services special revenue account to the general fund.

Subd. 4. **Fire Marshal**

<table>
<thead>
<tr>
<th>Appropriations</th>
<th>9,555,000</th>
<th>9,555,000</th>
</tr>
</thead>
</table>

This appropriation is from the fire safety account in the special revenue fund and is for activities under Minnesota Statutes, section 299F.012.

Of this amount: (1) $7,187,000 each year is for activities under Minnesota Statutes, section 299F.012; and (2) $2,368,000 the first year and $2,368,000 the second year are for transfers to the general fund under Minnesota Statutes, section 2971.06, subdivision 3.

Subd. 5. **Alcohol and Gambling Enforcement**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2,485,000</th>
<th>2,485,000</th>
</tr>
</thead>
</table>

Appropriations by Fund

<table>
<thead>
<tr>
<th>Appropriations</th>
<th>1,582,000</th>
<th>1,582,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Revenue</td>
<td>903,000</td>
<td>903,000</td>
</tr>
</tbody>
</table>

$653,000 each year is from the alcohol enforcement account in the special revenue fund. Of this appropriation, $500,000 each year shall be transferred to the general fund.

$250,000 each year is appropriated from the lawful gambling regulation account in the special revenue fund.

Subd. 6. **Office of Justice Programs**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>35,167,000</th>
<th>35,167,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>35,071,000</td>
<td>35,071,000</td>
</tr>
<tr>
<td>State Government Special Revenue</td>
<td>96,000</td>
<td>96,000</td>
</tr>
</tbody>
</table>
(a) **OJP Administration Costs**

Up to 2.5 percent of the grant funds appropriated in this subdivision may be used by the commissioner to administer the grant program.

(b) **Crime Victim Programs**

$1,500,000 each year must be distributed through an open and competitive grant process for existing crime victim programs. The funds must be used to meet the needs of underserved and unserved areas and populations.

(c) **Community Offender Reentry Program**

$150,000 in fiscal year 2014 and $150,000 in fiscal year 2015 from the general fund are to the commissioner of public safety for a grant to the community offender reentry program for assisting individuals to transition from incarceration to the communities in and around Duluth, including assistance in finding housing, employment, educational opportunities, counseling, and other resources. This is a onetime appropriation.

(d) **Youth Intervention Programs**

$461,000 each year is for youth intervention programs under Minnesota Statutes, section 299A.73. This amount must be added to the department's base budget for grants to youth intervention programs.

Subd. 7. **Emergency Communication Networks**

This appropriation is from the state government special revenue fund for 911 emergency telecommunications services.

(a) **Public Safety Answering Points**

$13,664,000 each year is to be distributed as provided in Minnesota Statutes, section 403.113, subdivision 2.

(b) **Medical Resource Communication Centers**

$683,000 each year is for grants to the Minnesota Emergency Medical Services Regulatory Board for the Metro East and Metro West Medical Resource Communication Centers that were in operation before January 1, 2000.

(c) **ARMER Debt Service**

$23,261,000 each year is to the commissioner of management and budget to pay debt service on revenue bonds issued under Minnesota Statutes, section 403.275.
Any portion of this appropriation not needed to pay debt service in a fiscal year may be used by the commissioner of public safety to pay cash for any of the capital improvements for which bond proceeds were appropriated by Laws 2005, chapter 136, article 1, section 9, subdivision 8; or Laws 2007, chapter 54, article 1, section 10, subdivision 8.

(d) ARMER State Backbone Operating Costs

$9,250,000 the first year and $9,650,00 the second year are to the commissioner of transportation for costs of maintaining and operating the first and third phases of the statewide radio system backbone.

(e) ARMER Improvements

$1,000,000 each year is to the Statewide Radio Board for costs of design, construction, and maintenance of, and improvements to, those elements of the statewide public safety radio and communication system that support mutual aid communications and emergency medical services or provide interim enhancement of public safety communication interoperability in those areas of the state where the statewide public safety radio and communication system is not yet implemented.

Subd. 8. Administration and Related Services 234,000 478,000

Sec. 4. PEACE OFFICER STANDARDS AND TRAINING (POST) BOARD $3,770,000 $3,770,000

(a) Excess Amounts Transferred

This appropriation is from the peace officer training account in the special revenue fund. Any new receipts credited to that account in each year in excess of $3,770,000 must be transferred and credited to the general fund.

(b) Peace Officer Training Reimbursements

$2,634,000 each year is for reimbursements to local governments for peace officer training costs.

Sec. 5. PRIVATE DETECTIVE BOARD $121,000 $122,000

Sec. 6. HUMAN RIGHTS $3,322,000 $3,348,000

$129,000 each year is for increased compliance activities.

Sec. 7. DEPARTMENT OF CORRECTIONS

Subdivision 1. Total Appropriation $481,103,000 $487,864,000

The amounts that may be spent for each purpose are specified in the following subdivisions.
Subd. 2. **Correctional Institutions**

345,906,000 351,872,000

(a) **Sex Offender Treatment Beds**

Of this appropriation, $1,500,000 each year is to fund additional sex offender treatment beds and shall not be used for any other purpose. The funds appropriated in this paragraph are to supplement current funding for sex offender treatment and shall not be used to supplant current funding for sex offender treatment.

(b) **MINNCOR Transfer**

Notwithstanding Minnesota Statutes, section 241.27, the commissioner of management and budget shall transfer $1,300,000 the first year and $1,300,000 the second year from the Minnesota correctional industries revolving fund to the general fund. These are onetime transfers.

Subd. 3. **Community Services**

112,953,000 113,479,000

Subd. 4. **Operations Support**

22,244,000 22,513,000

Sec. 8. Minnesota Statutes 2012, section 161.20, subdivision 3, is amended to read:

Subd. 3. **Trunk highway fund appropriations.** The commissioner may expend trunk highway funds only for trunk highway purposes. Payment of expenses related to Bureau of Criminal Apprehension laboratory, Explore Minnesota Tourism kiosks, Minnesota Safety Council, tort claims, driver education programs, Emergency Medical Services Board, Mississippi River Parkway Commission, and personnel costs incurred on behalf of the Governor's Office do not further a highway purpose and do not aid in the construction, improvement, or maintenance of the highway system.

Sec. 9. Minnesota Statutes 2012, section 243.51, subdivision 1, is amended to read:

Subdivision 1. **Contracting with other states and federal government.** The commissioner of corrections is hereby authorized to contract with agencies and bureaus of the United States and with the proper officials of other states or a county of this state for the custody, care, subsistence, education, treatment and training of persons convicted of criminal offenses constituting felonies in the courts of this state, the United States, or other states of the United States. Such contracts shall provide for reimbursing the state of Minnesota for all costs or other expenses involved, and, to the extent possible, require payment to the Department of Corrections of a per diem amount that is substantially equal to or greater than the per diem for the cost of housing Minnesota inmates at the same facility. This per diem cost shall be based on the assumption that the facility is at or near capacity. Funds received under the contracts shall be deposited in the state treasury and are appropriated to the commissioner of corrections for correctional purposes. Any prisoner transferred to the state of Minnesota pursuant to this subdivision shall be subject to the terms and conditions of the prisoner's original sentence as if the prisoner were serving the same within the confines of the state in which the conviction and sentence was had or in the custody of the United States. Nothing herein shall deprive such inmate of the right to parole or the rights to legal process in the courts of this state.
Sec. 10. Minnesota Statutes 2012, section 243.51, subdivision 3, is amended to read:

Subd. 3. Temporary detention. The commissioner of corrections is authorized to contract with agencies and bureaus of the United States and with the appropriate officials of any other state or county of this state for the temporary detention of any person in custody pursuant to any process issued under the authority of the United States, other states of the United States, or the district courts of this state. The contract shall provide for reimbursement to the state of Minnesota for all costs and expenses involved, and, to the extent possible, require payment to the Department of Corrections of a per diem amount that is substantially equal to or greater than the per diem for the cost of housing Minnesota inmates at the same facility. This per diem cost shall be based on the assumption that the facility is at or near capacity. Funds received under the contracts shall be deposited in the state treasury and are appropriated to the commissioner of corrections for correctional purposes.

Sec. 11. Minnesota Statutes 2012, section 363A.36, subdivision 1, is amended to read:

Subd. 1. Scope of application. (a) For all contracts for goods and services in excess of $100,000, no department or agency of the state shall accept any bid or proposal for a contract or agreement from any business having more than 40 full-time employees within this state on a single working day during the previous 12 months, unless the commissioner is in receipt of the business' affirmative action plan for the employment of minority persons, women, and qualified disabled individuals. No department or agency of the state shall execute any such contract or agreement until the affirmative action plan has been approved by the commissioner. Receipt of a certificate of compliance issued by the commissioner shall signify that a firm or business has an affirmative action plan that has been approved by the commissioner. A certificate shall be valid for a period of two years. A municipality as defined in section 466.01, subdivision 1, that receives state money for any reason is encouraged to prepare and implement an affirmative action plan for the employment of minority persons, women, and the qualified disabled and submit the plan to the commissioner.

(b) This paragraph applies to a contract for goods or services in excess of $100,000 to be entered into between a department or agency of the state and a business that is not subject to paragraph (a), but that has more than 40 full-time employees on a single working day during the previous 12 months in the state where the business has its primary place of business. A department or agency of the state may not execute a contract or agreement with a business covered by this paragraph unless the business has a certificate of compliance issued by the commissioner under paragraph (a) or the business certifies that it is in compliance with federal affirmative action requirements.

(c) This section does not apply to contracts entered into by the State Board of Investment for investment options under section 352.965, subdivision 4.

Sec. 12. Minnesota Statutes 2012, section 363A.36, subdivision 2, is amended to read:

Subd. 2. Filing fee; account; appropriation. The commissioner shall collect a $75 $150 fee for each certificate of compliance issued by the commissioner or the commissioner's designated agent. The proceeds of the fee must be deposited in a human rights fee special revenue account. Money in the account is appropriated to the commissioner to fund the cost of issuing certificates and investigating grievances.

Sec. 13. Minnesota Statutes 2012, section 609.3451, subdivision 3, is amended to read:

Subd. 3. Felony. A person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than $10,000, or both, if the person violates subdivision 1, clause (2) this section, after having been previously convicted of or adjudicated delinquent for violating subdivision 1, clause (2) this section; section sections 609.342 to 609.345; 609.3453; 609.352; 617.23, subdivision 2, clause (1) or 3; 617.246; or 617.247; or a statute from another state in conformity with subdivision 1, clause (2), or section 617.23, subdivision 2, clause (1) with any of those sections.

EFFECTIVE DATE. This section is effective August 1, 2013, and applies to crimes committed on or after that date.
Sec. 14. Minnesota Statutes 2012, section 609.3455, is amended by adding a subdivision to read:

Subd. 10. **Presumptive executed sentence for repeat sex offenders.** Except as provided in subdivision 2, 3, 3a, or 4, if a person is convicted under sections 609.342 to 609.345 or 609.3453 within 15 years of a previous sex offense conviction, the court shall commit the defendant to the commissioner of corrections for not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding sections 242.19, 243.05, 609.11, 609.12, and 609.135. The court may stay the execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit, and a professional assessment indicates that the offender has been accepted by and can respond to a treatment program. If the court stays execution of sentence, it shall include the following as conditions of probation:

1. incarceration in a local jail or workhouse;
2. a requirement that the offender complete a treatment program; and
3. a requirement that the offender have no unsupervised contact with the complainant until the offender has successfully completed the treatment program unless approved by the treatment program and the supervising correctional agent.

**EFFECTIVE DATE.** This section is effective August 1, 2013, and applies to all crimes committed on or after that date.

Sec. 15. **REPEALER.**

Minnesota Statutes 2012, section 243.51, subdivision 5, is repealed.

Delete the title and insert:

"A bill for an act relating to public safety; providing that funds received for out-of-state offenders incarcerated in Minnesota are appropriated to the Department of Corrections; modifying certificates of compliance for public contracts; enhancing penalties for certain repeat criminal sexual conduct offenders; appropriating money for public safety, corrections, and human rights; amending Minnesota Statutes 2012, sections 161.20, subdivision 3; 243.51, subdivisions 1, 3; 363A.36, subdivisions 1, 2; 609.3451, subdivision 3; 609.3455, by adding a subdivision; repealing Minnesota Statutes 2012, section 243.51, subdivision 5."

The motion prevailed and the amendment was adopted.

Paymar moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 9, line 30, reinstate the stricken language

The motion prevailed and the amendment was adopted.

Paymar moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 6, line 2, delete "35,071,000" and insert "35,446,000" and delete "35,071,000" and insert "35,446,000"
Page 6, after line 33, insert:

"(e) Sexually Exploited Youth; Law Enforcement and Prosecution Training.

$375,000 each year is for a grant to Ramsey County to be used by the Ramsey County Attorney's Office to:

(1) develop a statewide model protocol for law enforcement, prosecutors, and others, who in their professional capacity encounter sexually exploited and trafficked youth, on identifying and intervening with sexually exploited and trafficked youth;

(2) conduct statewide training for law enforcement and prosecutors on the model protocol and the Safe Harbor Law described in Laws 2011, First Special Session chapter 1, article 4, as modified by Senate File No. 384, article 2, if enacted; and

(3) develop and disseminate to law enforcement, prosecutors, and others, who in their professional capacity encounter sexually exploited and trafficked youth, on investigative best practices to identify sex trafficked victims and traffickers.

The Ramsey County attorney may use the money appropriated in this paragraph to partner with other entities to implement clauses (1) to (3).

By January 15, 2015, the Ramsey County Attorney's Office shall report to the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over criminal justice policy and funding on how this appropriation was spent.

In fiscal year 2016 and thereafter, $375,000 is available each year for grants to local law enforcement and prosecuting authorities for training on sexually exploited and trafficked youth including effectively identifying sex trafficked victims and traffickers, investigation techniques, and assisting sexually exploited youth."

Page 8, line 16, delete the first "3,770,000" and insert "3,870,000"

Page 8, after line 16, insert:

"Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>100,000</td>
<td>0</td>
</tr>
</tbody>
</table>
| Special Revenue| 3,770,000| 3,770,000"
Page 8, after line 27, insert:

"(c) **Training; sexually exploited and trafficked youth.** Of this appropriation, $100,000 in fiscal year 2014 is for reimbursements to local governments for peace officer training costs on sexually exploited and trafficked youth, including effectively identifying sex trafficked victims and traffickers, investigation techniques, and assisting sexually exploited youth.

Reimbursement shall be provided on a flat fee basis of $100 per diem per officer. This is a onetime appropriation that is available until spent."

Page 9, line 2, delete "481,103,000" and insert "482,149,000" and delete "487,864,000" and insert "485,968,000"

Page 9, line 6, delete "345,906,000" and insert "346,952,000" and delete "351,872,000" and insert "349,976,000"

Amend the appropriations by the specified amounts and correct the totals and the appropriations by fund accordingly.

The motion prevailed and the amendment was adopted.

Mullery, Cornish and Paymar move to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 10, after line 33, insert:

"Sec. 11. Minnesota Statutes 2012, section 260B.198, subdivision 7, is amended to read:

Subd. 7. **Continuance.** (a) When it is in the best interests of the child to do so and not inimical to public safety and when the child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260B.163 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may continue the case for a period not to exceed 90 days on any one order. Such a continuance may be extended for one additional successive period not to exceed 90 days and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. The continuance may be renewed for up to three additional successive periods not to exceed 180 days each, but only with the consent of the prosecutor and only after the court has reviewed the case and entered its order for each additional continuance without a finding of delinquency. During this continuance the court may enter an order in accordance with the provisions of subdivision 1, clause (1) or (2) except clause (4), or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260B.157.

(b) A prosecutor may appeal a continuance ordered in contravention of this subdivision. This subdivision does not extend the court's jurisdiction under section 260B.193 and does not apply to an extended jurisdiction juvenile proceeding.

**EFFECTIVE DATE.** This section is effective August 1, 2013, and applies to offenses committed on or after that date."
Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Drazkowski moved to amend the Mullery et al amendment to S. F. No. 671, the first engrossment, as amended, as follows:

Page 1, line 12, delete "up to three" and insert "one"

Page 1, line 13, delete "periods" and insert "period" and delete "each"

Page 1, line 14, delete "each" and insert "the"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 58 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler
Albright
Anderson, M.
Anderson, P.
Anderson, S.
Barrett
Beard
Benson, M.
Cornish
Daukt
Davids
Dean, M.
Dettmer
Drazkowski
Erickson, S.
Fabian
FitzSimmons
Franson
Green
Gruenhagen
Kresha
Leidiger
Lohmer
Hertaus
Holberg
Hoppe
Howe
Kelly
Kiel
Gunther
Hackbarth
Hamilton
Drazkowski
Erickson, S.
Barrett
Beard
Benson, M.
Cornish
Daukt
Abeler
Albright
Anderson, M.
Anderson, P.
Anderson, S.
Barrett
Beard
Benson, M.
Cornish
Daukt

Those who voted in the negative were:

Allen
Anzelec
Atkins
Benson, J.
Bernardy
Bly
Brynaert
Carlson
Clark
Daynie
Dehn, R.
Dorholt

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

Albright raised a point of order pursuant to rule 3.21 that the Mullery et al amendment was not in order. Speaker pro tempore Hortman ruled the point of order well taken and the Mullery et al amendment out of order.

Mullery, Cornish and Paymar moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 12, after line 26, insert:

"Sec. 15. JUVENILE JUSTICE SYSTEM REPORT.

(a) The following shall appoint representatives to discuss issues specified in paragraph (b) with representatives of the National Alliance on Mental Illness (NAMI) and others designated by NAMI: the commissioners of human services, corrections, and education; a district court judge designated by the Supreme Court; the Minnesota County Attorneys Association; the state public defender; the Indian Affairs Council; the Minnesota County Probation Officers Association; and the Minnesota Association of Community Corrections Act Counties.

(b) The issues to be discussed are:

(1) shared statewide outcome goals for children in the juvenile justice system and their families, such as academic success, successful transitions to adulthood, and lower recidivism rates;

(2) the continuum of service necessary to ensure quality care that meets the complex needs of children in the juvenile justice system and their families;

(3) strategies for early identification of and response to needs related to juvenile justice outcomes, including in the areas of trauma, mental and physical health, chemical dependency, traumatic brain injury, developmental disabilities, education, family needs, housing, employment, and any other areas identified by the work group;

(4) changes needed to ensure coordinated delivery of quality services to meet the individual needs of each child in the system, particularly in the areas of information-sharing, service shortages, and cost pressures;

(5) changes needed to ensure coordination between delinquency and CHIPS cases, schools, the children's mental health system, and any other relevant entities for children involved in multiple systems;

(6) changes to any rules and statutes that create barriers to achieving the shared outcomes agreed upon by the work group;

(7) an implementation plan to achieve integrated service delivery across systems and across the public, private, and nonprofit sectors;

(8) an implementation plan to accomplish the shared outcomes agreed upon by the work group; and

(9) financing mechanisms that include all possible revenue sources to maximize federal, state, and local funding and promote cost efficiencies and sustainability.

(c) The National Alliance on Mental Illness shall report to the legislature on results of discussions under this section by February 15, 2014, after consulting with the commissioners of human services, corrections, and education."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.
Cornish moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 2, line 9, delete "157,246,000" and insert "157,375,000" and delete "161,550,000" and insert "161,679,000"

Page 2, line 12, delete "84,608,000" and insert "84,737,000" and delete "84,411,000" and insert "84,540,000"

Page 3, line 1, delete "47,588,000" and insert "47,717,000" and delete "47,197,000" and insert "47,326,000"

Page 8, line 29, delete "3,322,000" and insert "3,193,000" and delete "3,348,000" and insert "3,219,000"

Page 8, delete lines 30 and 31

A roll call was requested and properly seconded.

The question was taken on the Cornish amendment and the roll was called. There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler  Daudt  Gruenhagen  Kieffer  Newberger  Schomacker
Albright  Davids  Gunther  Kiel  Nornes  Scott
Anderson, M.  Dean, M.  Hackbarth  Kresha  O'Driscoll  Swedzinski
Anderson, P.  Dettmer  Hamilton  Leidiger  O'Neill  Torkelson
Anderson, S.  Drazkowski  Hertaus  Lohmer  Peppin  Ugem
Anzelc  Erickson, S.  Holberg  Loon  Petersburg  Udahl
Barrett  Fabian  Hoppe  Mack  Pugh  Wills
Beard  FitzSimmons  Howe  McDonald  Quam  Woodard
Benson, M.  Franson  Johnson, B.  McNamara  Runbeck  Zellers
Cornish  Green  Kelly  Myhra  Sanders  Zerwas

Those who voted in the negative were:

Allen  Erickson, R.  Huntley  Mahoney  Norton  Simonson
Atkins  Falk  Isaacs  Mariani  Paymar  Sundin
Benson, J.  Faust  Johnson, C.  Marquart  Pelowski  Wagenius
Bernardy  Fischer  Johnson, S.  Masin  Persell  Ward, J.A.
Bly  Freiberg  Kahn  McNamara  Poppe  Ward, J.E.
Brynaert  Fritz  Laine  Metsa  Radinovich  Winkler
Carlson  Halverson  Lenczewski  Moran  Rosenthal  Yarusso
Clark  Hansen  Lesch  Morgan  Savick  Spk. Thissen
Davnie  Hausman  Liebling  Murphy, E.  Sawatzky  -
Dehn, R.  Hilstrom  Lien  Murphy, M.  Schoen  -
Dorholt  Hornstein  Lillie  Nelson  Selcer  -
Erhardt  Hortman  Loeffler  Newton  Simon  -

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

Newberger moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 8, line 28, delete "121,000" and insert "120,000" and delete "122,000" and insert "120,000"
Page 8, line 29, delete "3,322,000" and insert "3,297,000" and delete "3,348,000" and insert "3,297,000"

Amend the appropriations by the specified amounts and correct the totals and the appropriations by fund accordingly.

A roll call was requested and properly seconded.

The question was taken on the Newberger amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler  Davids  Gunther  Kiel  Nornes  Schomacker
Albright  Dean, M.  Hackbarth  Kresha  Norton  Scott
Anderson, M.  Detmer  Hamilton  Leidiger  O’Driscoll  Swedzinski
Anderson, P.  Drazkowski  Hertaus  Lohmer  O’Neill  Torkelson
Anderson, S.  Erickson, S.  Holberg  Loom  Peppin  Uglem
Barrett  Fabian  Hoppe  Mack  Petersburg  Udahl
Beard  FitzSimmons  Howe  McDonald  Pugh  Wills
Benson, M.  Franson  Johnson, B.  McNamara  Quam  Woodard
Cornish  Green  Kelly  Myhra  Runbeck  Zellers
Daudt  Gruenhagen  Kieffer  Newberger  Sanders  Zerwas

Those who voted in the negative were:

Allen  Erhardt  Hortman  Loeffler  Nelson  Simon
Anzelc  Erickson, R.  Huntley  Mahoney  Newton  Simonson
Atkins  Falk  Isaacson  Mariani  Paymar  Sundin
Benson, J.  Faust  Johnson, C.  Marquart  Pelowski  Wagenius
Bernardy  Fischer  Johnson, S.  Masin  Persell  Ward, J.A.
Bly  Freiberg  Kahn  McNamar  Poppe  Ward, J.E.
Brynaert  Fritz  Laine  Melin  Radinovich  Winkler
Carlson  Halverson  Lenczewski  Metsa  Rosenthal  Yarusso
Clark  Hansen  Lesch  Moran  Savick  Spk. Thissen
Davnie  Hausman  Liebling  Morgan  Sawatzky
Dehn, R.  Hilstrom  Lien  Murphy, E.  Schoen
Dorholt  Hornstein  Lilie  Murphy, M.  Selcer

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

Uglem moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 2, line 9, delete "157,246,000" and insert "157,375,000" and delete "161,550,000" and insert "161,679,000"

Page 2, line 12, delete "84,608,000" and insert "84,737,000" and delete "84,411,000" and insert "84,540,000"

Page 2, line 21, delete "3,079,000" and insert "3,208,000" and delete "3,029,000" and insert "3,158,000"

Page 2, line 32, delete "555,000" and insert "684,000" and delete "505,000" and insert "634,000"
Page 8, line 29, delete "3,322,000" and insert "3,193,000" and "3,348,000" and "3,219,000"

Page 8, delete lines 30 and 31

A roll call was requested and properly seconded.

The question was taken on the Uglem amendment and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler  Davids  Gunther  Kiel  Nornes  Scott
Albright  Dean, M.  Hackbarth  Kresha  O'Driscoll  Swedzinski
Anderson, M.  Dettmer  Hamilton  Leidiger  O'Neill  Torkelson
Anderson, P.  Drazkowski  Hertaus  Lohmer  Peppin  Uglem
Anderson, S.  Erickson, S.  Holberg  Loon  Petersburg  Urbahn
Barrett  Fabian  Hoppe  Mack  Pugh  Wills
Beard  FitzSimmons  Howe  McDonald  Quam  Woodard
Benson, M.  Franson  Johnson, B.  McNamara  Runbeck  Zellers
Cornish  Green  Kelly  Myhra  Sanders  Zerwas
Daudt  Gruenhagen  Kieffer  Newberger  Schomacker

Those who voted in the negative were:

Allen  Erhardt  Hortman  Loeffler  Nelson  Selcer
Anzelc  Erickson, R.  Huntley  Mahoney  Newton  Simon
Atkins  Falk  Isaacson  Mariani  Norton  Simonson
Benson, J.  Faust  Johnson, C.  Marquart  Paymar  Sundin
Bernardy  Fischer  Johnson, S.  Masin  Pelowski  Wagenius
Bly  Freiberg  Kahn  McNamar  Persell  Ward, J.A.
Brynaert  Fritz  Laine  Melin  Poppe  Ward, J.E.
Carlson  Halverson  Lenczewski  Menta  Radinovich  Winkler
Clark  Hansen  Lesch  Moran  Rosenthal  Yarusso
Davinie  Hausman  Liebling  Morgan  Savick  Spk. Thissen
Dehn, R.  Hilstrom  Lien  Murphy, E.  Sawatzky
Dorholt  Hornstein  Lillie  Murphy, M.  Schoen

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

Lohmer moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 6, after line 33, insert:

"(e) **Transfer to Emergency Management**

Of this appropriation, $500,000 each year is transferred to Emergency Management to supplement the activities of the school safety center. The funds shall not be used to supplant current funding for the school safety center. This is a onetime transfer."

A roll call was requested and properly seconded.
The question was taken on the Lohmer amendment and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler
Albright
Anderson, M.
Anderson, P.
Anderson, S.
Barrett
Beard
Benson, M.
Cornish
Dauudt
Davids
Dean, M.
Dettmer
Drazkowski
Erickson, S.
Fabian
FitzSimmons
Franson
Green
Hackbarth
Hamilton
Hertaus
Holberg
Hoppe
Howe
Johnson, B.
Kiel
Kresha
Leidiger
Lohmer
Loon
Mack
McDonald
McNamara
Myhra
Newberger
Nornes
O'Driscoll
O'Neill
Peppin
Petersburg
Pugh
Quam
Sanders
Schomacker
Scott
Swedzinski
Torkelson
Uglen
Urdahl
Wills
Woodard
Zellers
Zerwas

Those who voted in the negative were:

Allen
Anzelc
Atkins
Benson, J.
Bernardy
Bly
Brynaert
Carlson
Clark
Daynie
Dehn, R.
Dorholt
Erhardt
Erickson, R.
Falk
Faust
Fischer
Freiberg
Fritz
Hansen
Hausman
Hilstrom
Hornstein
Hortman
Huntley
Isaacson
Johnson, C.
Johnson, S.
Kahn
Kahne
Liebling
Lien
Lillie
Loeffler
Mahoney
Mariani
Marquart
Masin
McDonald
McNamara
Morgan
Murphy, E.
Murphy, M.
Nelson
Newton
Norton
Paymar
Pelowski
Persell
Poppe
Radinovich
Rosenthal
Savick
Sawatzky
Selcer
Simon
Simonson
Sundin
Wagenius
Ward, J.A.
Ward, J.E.
Yarusso
Spk. Thissen

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

Cornish moved to amend S. F. No. 671, the first engrossment, as amended, as follows:

Page 3, line 1, delete "47,588,000" and insert "47,698,000" and delete "47,197,000" and insert "47,250,000"

Page 9, line 24, delete "112,953,000" and insert "112,843,000" and delete "113,479,000" and insert "113,419,000"

Page 10, after line 33, insert:

"Sec. 11. Minnesota Statutes 2010, section 244.052, subdivision 4, is amended to read:

Subd. 4. Law enforcement agency; disclosure of information to public. (a) The law enforcement agency in the area where the predatory offender resides, expects to reside, is employed, or is regularly found, shall disclose to the public any information regarding the offender contained in the report forwarded to the agency under subdivision 3, paragraph (f), that is relevant and necessary to protect the public and to counteract the offender's dangerousness, consistent with the guidelines in paragraph (b). The extent of the information disclosed and the community to whom disclosure is made must relate to the level of danger posed by the offender, to the offender's pattern of offending behavior, and to the need of community members for information to enhance their individual and collective safety.
(b) The law enforcement agency shall employ the following guidelines in determining the scope of disclosure made under this subdivision:

(1) if the offender is assigned to risk level I, the agency may maintain information regarding the offender within the agency and may disclose it to other law enforcement agencies. Additionally, the agency may disclose the information to any victims of or witnesses to the offense committed by the offender. The agency shall disclose the information to victims of the offense committed by the offender who have requested disclosure and to adult members of the offender’s immediate household;

(2) if the offender is assigned to risk level II, the agency also may disclose the information to agencies and groups that the offender is likely to encounter for the purpose of securing those institutions and protecting individuals in their care while they are on or near the premises of the institution. These agencies and groups include the staff members of public and private educational institutions, day care establishments, and establishments and organizations that primarily serve individuals likely to be victimized by the offender. The agency also may disclose the information to individuals the agency believes are likely to be victimized by the offender. The agency’s belief shall be based on the offender’s pattern of offending or victim preference as documented in the information provided by the department of corrections or human services;

(3) if the offender is assigned to risk level III, the agency shall disclose the information to the persons and entities described in clauses (1) and (2) and to other members of the community whom the offender is likely to encounter, unless the law enforcement agency determines that public safety would be compromised by the disclosure or that a more limited disclosure is necessary to protect the identity of the victim.

Notwithstanding the assignment of a predatory offender to risk level II or III, a law enforcement agency may not make the disclosures permitted or required by clause (2) or (3), if: the offender is placed or resides in a residential facility. However, if an offender is placed or resides in a residential facility, the offender and the head of the facility shall designate the offender’s likely residence upon release from the facility and the head of the facility shall notify the commissioner of corrections or the commissioner of human services of the offender’s likely residence at least 14 days before the offender’s scheduled release date. The commissioner shall give this information to the law enforcement agency having jurisdiction over the offender’s likely residence. The head of the residential facility also shall notify the commissioner of corrections or human services within 48 hours after finalizing the offender’s approved relocation plan to a permanent residence. Within five days after receiving this notification, the appropriate commissioner shall give to the appropriate law enforcement agency all relevant information the commissioner has concerning the offender, including information on the risk factors in the offender’s history and the risk level to which the offender was assigned. After receiving this information, the law enforcement agency shall make the disclosures permitted or required by clause (2) or (3), as appropriate.

(c) As used in paragraph (b), clauses (2) and (3), “likely to encounter” means that:

(1) the organizations or community members are in a location or in close proximity to a location where the offender lives or is employed, or which the offender visits or is likely to visit on a regular basis, other than the location of the offender’s outpatient treatment program; and

(2) the types of interaction which ordinarily occur at that location and other circumstances indicate that contact with the offender is reasonably certain.

(d) A law enforcement agency or official who discloses information under this subdivision shall make a good faith effort to make the notification within 14 days of receipt of a confirmed address from the Department of Corrections indicating that the offender will be, or has been, released from confinement, or accepted for supervision, or has moved to a new address and will reside at the address indicated. If a change occurs in the release plan, this notification provision does not require an extension of the release date.
(e) A law enforcement agency or official who discloses information under this subdivision shall not disclose the identity or any identifying characteristics of the victims of or witnesses to the offender's offenses.

(f) A law enforcement agency shall continue to disclose information on an offender as required by this subdivision for as long as the offender is required to register under section 243.166. This requirement on a law enforcement agency to continue to disclose information also applies to an offender who lacks a primary address and is registering under section 243.166, subdivision 3a.

(g) A law enforcement agency that is disclosing information on an offender assigned to risk level III to the public under this subdivision shall inform the commissioner of corrections superintendent of the Bureau of Criminal Apprehension what information is being disclosed and forward this information to the commissioner superintendent within two days of the agency's determination. The commissioner superintendent shall post this information on the Internet as required in subdivision 4b.

(h) A city council may adopt a policy that addresses when information disclosed under this subdivision must be presented in languages in addition to English. The policy may address when information must be presented orally, in writing, or both in additional languages by the law enforcement agency disclosing the information. The policy may provide for different approaches based on the prevalence of non-English languages in different neighborhoods.

(i) An offender who is the subject of a community notification meeting held pursuant to this section may not attend the meeting.

(j) When a school, day care facility, or other entity or program that primarily educates or serves children receives notice under paragraph (b), clause (3), that a level III predatory offender resides or works in the surrounding community, notice to parents must be made as provided in this paragraph. If the predatory offender identified in the notice is participating in programs offered by the facility that require or allow the person to interact with children other than the person's children, the principal or head of the entity must notify parents with children at the facility of the contents of the notice received pursuant to this section. The immunity provisions of subdivision 7 apply to persons disclosing information under this paragraph.

**EFFECTIVE DATE.** This section is effective August 1, 2013.

Sec. 12. Minnesota Statutes 2010, section 244.052, subdivision 4b, is amended to read:

Subd. 4b. **Level III offenders; mandatory posting of information on Internet.** The commissioner of corrections superintendent of the Bureau of Criminal Apprehension shall create and maintain an Internet Web site and post on the site the information about offenders assigned to risk level III forwarded by law enforcement agencies under subdivision 4, paragraph (g). This information must be updated in a timely manner to account for changes in the offender's address and maintained for the period of time that the offender remains subject to community notification as a level III offender.

**EFFECTIVE DATE.** This section is effective August 1, 2013."

Page 12, after line 26, insert:

"Sec. 17. **TRANSFER OF RESPONSIBILITIES.**

The commissioner of corrections shall provide technical assistance to the superintendent of the Bureau of Criminal Apprehension in the transfer of responsibilities mandated by section 12.

**EFFECTIVE DATE.** This section is effective August 1, 2013."
Amend the appropriations by the specified amounts and correct the totals and the appropriations by fund accordingly

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Cornish amendment and the roll was called. There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler
Albright
Anderson, M.
Anderson, P.
Anderson, S.
Barrett
Beard
Benson, M.
Cornish
Daudt
Davids
Dean, M.
Dettmer
Drazkowski
Erickson, S.
Fabian
FitzSimmons
Franson
Gruenhagen
Gunther
Hackbarth
Hamilton
Hertaus
Holberg
Hoppe
Howe
Johnson, B.
Kiel
Kresha
Leidiger
Lohmer
Loon
Mack
McDonald
McNamara
Melin
Myhra
Nornes
O'Driscoll
O'Neill
Peppin
Petersburg
Pugh
Quam
Runbeck
Sanders
Schoen
Schomacker
Scott
Swedzinski
Torkelson

Those who voted in the negative were:

Allen
Anzelc
Atkins
Benson, J.
Bernardy
Bly
Brynaert
Carlson
Clark
Davnie
Dehn, R.
Dorholt
Dean, M.
Erickson, R.
Falk
Faust
Fischer
Freiberg
Fritz
Halverson
Hansen
Hausman
Hilstrom
Hornstein
Erhardt
Erickson, R.
Hartson
Isaacson
Johnson, C.
Johnson, S.
Kahn
Laine
Lenczewski
Lesch
Liebling
Lien
Lilie
Hamilton
Hertaus
Holberg
Hoppe
Howe
Johnson, B.
Kiel
Kresha
Leidiger
Lohmer
Loon
Mack
McDonald
McNamara
Melin
Myhra
Nornes
O'Driscoll
O'Neill
Peppin
Petersburg
Pugh
Quam
Runbeck
Sanders
Schoen
Schomacker
Scott
Swedzinski
Torkelson

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

S. F. No. 671, A bill for an act relating to public safety; providing that funds received for out-of-state offenders incarcerated in Minnesota are appropriated to the Department of Corrections; modifying certificates of compliance for public contracts; appropriating money for public safety, judiciary, corrections, and human rights; amending Minnesota Statutes 2012, sections 243.51, subdivisions 1, 3; 363A.36, subdivisions 1, 2; Laws 2011, First Special Session chapter 1, article 1, section 3, subdivision 3; repealing Minnesota Statutes 2012, section 243.51, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.
The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 7 nays as follows:

Those who voted in the affirmative were:


Those who voted in the negative were:

Anderson, M.  Drazkowski  Hackbarth  Leidiger  McDonald  Peppin  Quam  

The bill was passed, as amended, and its title agreed to.

H. F. No. 819, A bill for an act relating to the Public Facilities Authority; reorganizing certain grant programs; providing for small community wastewater treatment grants; amending Minnesota Statutes 2012, sections 446A.073, subdivisions 1, 3, 4; 446A.075, subdivisions 1a, 2, 5; repealing Minnesota Statutes 2012, sections 446A.051, subdivision 2; 446A.074.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:


The bill was passed and its title agreed to.

S. F. No. 1168. A bill for an act relating to public safety; creating new crimes relating to 911 emergency calls; providing criminal penalties; amending Minnesota Statutes 2012, section 609.78.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

H. F. No. 1195. A bill for an act relating to local government; giving Hennepin County the same authority as Minneapolis to negotiate agreements relating to skilled trade and craft workers and apprentices; amending Laws 1988, chapter 471, sections 1, subdivisions 1, as amended, 4, as amended; 2, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 81 yeas and 49 nays as follows:

Those who voted in the affirmative were:

<table>
<thead>
<tr>
<th>Abeler</th>
<th>Dorhoilt</th>
<th>Hornstein</th>
<th>Loeffler</th>
<th>Murphy, M.</th>
<th>Selcer</th>
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<td>Allen</td>
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<td>Bly</td>
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<td>Poppe</td>
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<td>Radinovich</td>
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<td>Lesch</td>
<td>Moran</td>
<td>Sanders</td>
<td>Spk. Thissen</td>
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<td>Liebling</td>
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<td>Davnie</td>
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<td>Lien</td>
<td>Mullery</td>
<td>Sawatzky</td>
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<tr>
<td>Dehn, R.</td>
<td>Hilstrom</td>
<td>Lillie</td>
<td>Murphy, E.</td>
<td>Schoen</td>
<td></td>
</tr>
</tbody>
</table>

Those who voted in the negative were:

<table>
<thead>
<tr>
<th>Albright</th>
<th>Dettmer</th>
<th>Hertaus</th>
<th>Looon</th>
<th>Petersburg</th>
<th>Wills</th>
</tr>
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<tr>
<td>Anderson, M.</td>
<td>Drazkowski</td>
<td>Holberg</td>
<td>Mack</td>
<td>Pugh</td>
<td>Woodard</td>
</tr>
<tr>
<td>Anderson, P.</td>
<td>Erickson, S.</td>
<td>Hoppe</td>
<td>McDonald</td>
<td>Quam</td>
<td>Zellers</td>
</tr>
<tr>
<td>Anderson, S.</td>
<td>Fabian</td>
<td>Howe</td>
<td>Myhra</td>
<td>Runbeck</td>
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<td>Barrett</td>
<td>FitzSimmons</td>
<td>Johnson, B.</td>
<td>Newberger</td>
<td>Schomacker</td>
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<td>Beard</td>
<td>Franson</td>
<td>Kelly</td>
<td>Nornes</td>
<td>Scott</td>
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<td>Benson, M.</td>
<td>Green</td>
<td>Kiel</td>
<td>O'Driscoll</td>
<td>Swedzinski</td>
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<td>Daudt</td>
<td>Gruenhagen</td>
<td>Kresha</td>
<td>O'Neil</td>
<td>Torkelson</td>
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<tr>
<td>Dean, M.</td>
<td>Hackbarth</td>
<td>Leidiger</td>
<td>Peppin</td>
<td>Urdahl</td>
<td></td>
</tr>
</tbody>
</table>

The bill was passed and its title agreed to.

**MOTIONS AND RESOLUTIONS**

Atkins moved that the name of Bernardy be added as an author on H. F. No. 779. The motion prevailed.

Pelowski moved that the names of Lien, Rosenthal and Winkler be added as authors on H. F. No. 1692. The motion prevailed.
REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION

Murphy, E., from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bills to be placed on the Calendar for the Day for Tuesday, April 23, 2013 and established a prefiling requirement for amendments offered to the following bills:

H. F. No. 630; S. F. No. 359; and H. F. Nos. 791, 1304 and 1124.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House of Representatives to a Select Committee on Veterans Housing:

Newton, Chair; Abeler; Anderson, P.; Clark; Dean, M.; Dettmer; Hausman; Huntley and Murphy, M.

ADJOURNMENT

Murphy, E., moved that when the House adjourns today it adjourn until 10:00 a.m., Saturday, April 20, 2013. The motion prevailed.

Murphy, E., moved that the House adjourn. The motion prevailed, and Speaker pro tempore Hortman declared the House stands adjourned until 10:00 a.m., Saturday, April 20, 2013.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives