

## 2012 LEGISLATIVE SUMMARY

### TAXES/CREDITS/AIDS/BUDGET

- **Budget:** A \$1.1 billion dollar deficit is projected for the next biennium.
- **Corporate tax cuts:** Vetoed—a measure that permanently froze the state business property tax levy and provided other business tax cuts, partially paid for by drawing down the budget reserve and increasing the projected deficit in the next biennium by \$145 million. The proposal provided no significant tax relief to homeowners, renters, farmers, seniors or others. It reduced future state revenues over the next fourteen years by \$2.3 billion necessitating either future tax increases for others or reductions in services. A second, similar but scaled back proposal that added \$73 million to the deficit projected for the next biennium was also vetoed.
- **Permanent homeowner property tax relief:** Not enacted. No restoration of the Homestead Market Value Credit (MVC), which was eliminated last year. The MVC was one way the state helped provide homeowners property tax relief.
- **Targeted property tax relief program:** For taxes payable in 2012 only, the state will refund 90 percent of the amount that any homeowner's tax increased by more than 12 percent over the previous year's amount, provided that the increase was more than \$100. Current law provides for a refund of 60 percent of that amount. This translates to approximately \$4 million in property tax relief; however, property taxes on homeowners increased last year by approximately \$71 million.
- **Marriage penalty:** Not fixed.
- **Internet sales tax/affiliate-nexus:** Not enacted.
- **LGA:** Froze pay 2013 city LGA payments at: (1) 100% of pay 2012 amounts for larger cities; and (2) at the greater of 2012 aid or 2013 aid under current law for smaller cities with a population under 5,000.
- **Federal funding contingency planning:** Vetoed—a directive to each state agency that receives federal funds to include as part of its budget presentation an analysis of the implications for the agency if federal funds for the agency are dramatically reduced or eliminated.
- **Super-majority vote to increase taxes:** A proposed constitutional amendment preventing the legislature from increasing state income, state sales, or property taxes unless approved by a three-fifths (60%) vote in each House was not adopted.

### K-12 EDUCATION

- **Delayed payments to schools I:** Vetoed—a draw-down of 66% of the state's budget reserve for a one-time partial pay back of money that was borrowed from school districts last year to balance the state budget. The proposal left \$2 billion in debt to our schools unaccounted for with no mechanism for repayment spelled out, and ran the risk of potentially forcing the state into more short term borrowing.
- **Delayed payments to schools II:** A proposal to phase-in a full pay back of the \$2.4 in state "IOU's" to Minnesota schools without draining the reserve fund by closing tax loopholes that allow corporations to shelter profits overseas was not enacted.
- **Staff development revenue:** Eliminated the statutorily-mandated method by which staff development funds must be distributed within a school district.
- **School counselors:** School districts are strongly encouraged to have an adequate student-to-counselor ratio for their students.
- **Student testing:** For the 2012-2013 and 2013-2014 school years only, students who have not successfully passed a basic skills test by the end of the 2011-2012 school year may satisfy the state's graduation math test requirement by: (1) completing all state and local coursework and credits required for graduation by the school board granting their diploma; and (2) fully participating in at least two retests of the math GRAD test or until they pass the test, whichever comes first.
- **Teacher licensure:** Required teacher candidates to pass the basic skills exam before being granted an initial teaching license. However, a one-year exception was provided to teachers who have a one-year license to teach and taught during the 2011-12 school year. They may teach next year without passing the basic skills

test. Current law allows a person who completes a teacher preparation program but does not pass the basic skills exam to receive up to three one-year licenses to teach under certain conditions.

- **Teacher layoff practices:** Vetoed—a requirement that the discharge or demotion of teachers be based on performance evaluations instead of seniority.
- **No pay for felony-charged teachers:** Authorized districts to suspend without pay teachers charged with a felony pending a hearing. The district must reimburse the teacher for the salary and other compensation it withheld if the final decision does not result in penalizing, suspending, or discharging the teacher.
- **Individualized learning:** School boards authorized to enter into written education site achievement contracts with each site decision-making team for the purpose of setting individualized learning and achievement measures and short- and long-term educational goals for each student at that site. The goal is to recognize each individual student's educational needs and aptitudes and to promote individualized learning and assessment.
- **Digital learning:** Required staff development activities and teacher preparation programs to provide teacher candidates and current teachers with the knowledge and skills needed to deliver digital and blended learning and curriculum, and engage students with technology.
- **High school to work transition:** School districts are strongly encouraged, but not mandated, to assist all students by no later than grade 9 to explore their college and career interests, and develop a plan for a smooth and successful transition to postsecondary education or employment.
- **Post secondary enrollment options (PSEO):** (1) Extended PSEO to 10<sup>th</sup> graders who may take career and technical education courses at a Minnesota state college or university, provided the student has received a passing score on the 8<sup>th</sup> grade reading Minnesota Comprehensive Assessment. 10<sup>th</sup> graders who receive a grade of “C” or better in their PSEO course may take additional postsecondary courses for secondary credit; (2) post-secondary institutions may advertise or otherwise recruit a secondary pupil to enroll in its programs on educational grounds only; (3) students no longer must select whether a course is for secondary or post-secondary credit.
- **Homeless students:** A pupil who has been enrolled in a district, who is identified as homeless, and whose parent or legal guardian moves to another district, may continue to enroll in the nonresident district.
- **Principal evaluation:** Required 35% of a principal’s job performance evaluation to be based on student academic growth.
- **Continuing education for retired principals:** A retired school principal who serves as a substitute principal or assistant principal for the same person on a day-to-day basis for no more than 15 consecutive school days is not subject to continuing education requirements as a condition of serving as a substitute principal or assistant principal.
- **General education revenue—early graduation:** Eliminated that portion of a school district’s general education revenue that is attributable to students who graduate early.
- **Integration revenue replacement:** No action.
- **Textbook aid:** Expanded the allowable uses of nonpublic school textbook aid to include the purchase of any nonsectarian "software or other educational technology" including software, programs, applications, hardware, and any other electronic educational technology.
- **Fund transfers:** Extended through fiscal year 2015 the authority of school districts to transfer money from any fund or account to any other fund or account (excluding the community service fund and the food service fund). Such transfers may occur only after the school board has adopted a resolution declaring that the transfer will not diminish instructional opportunities for children.
- **Military pay differential:** Modified Minnesota's Pay Differential Program for school employees who, as members of the National Guard or other Reserves, are ordered into active military service. The goal of this change to more fully make up any lost salary due to their military service.
- **Academic standards rule adoption:** Vetoed—a proposal directing the commissioner of education to continue to revise and align the state's academic standards and graduation requirements, but prohibiting the commissioner from adopting the revised and realigned academic standards and graduation requirements in rule without first receiving specific legislative authority to do so.

- **Unadopted rules:** Vetoed—a directive to the commissioner of education to include with any policy, guideline, bulletin, or similar pronouncement that she issues to school districts that meet the definition of an administrative rule, but that have not been adopted as a rule, a notice to the districts that the pronouncement is not enforceable because it is neither a rule or a law.
- **School trust fund lands:** Created a new oversight process for the management of “School Trust Lands.” School trust lands are supposed to be managed in a prudent and profitable manner with the monetary proceeds from those management decisions (timber sales, lease revenue, etc.) used for the benefit of Minnesota’s public schools. Currently, the DNR manages those lands. The DNR has been criticized over the years for mismanaging trust lands. Consequently, a new oversight process was established.
- **BWCA land swap—school trust fund lands:** Authorized the exchange of all state-owned land located within the BWCA, including school trust land, for federally-owned lands within the Superior National Forest. This exchange is intended, in part, to bolster funding for Minnesota’s schools. The state owns 116,559 acres of land within the BWCA, 86,295 acres of which are school trust land. The exchange of school trust lands within the Boundary Waters Canoe Area would facilitate the mining, logging and leasing of that land thereby producing economic benefits for Minnesota's public schools.
- **Mayoral control of schools:** A proposal to grant the mayors of Minneapolis and St. Paul greater authority over their respective school districts by authorizing them to appoint the school board members was not enacted into law.
- **Parental interventions:** A proposal to give parents of students attending a persistently low-performing school the power to compel the school district to implement one of four intervention models was not enacted. The intervention models included: 1) replace the school principal and grant his/her replacement new authority to determine who is hired; 2) close the school and reopen it as a charter school; 3) close the school and transfer the students enrolled to a higher-achieving school in the district; 4) replace the principal and institute various instructional and staffing reforms.
- **Joint school district delivery of programs and services:** Established a five-year pilot project to improve student and school outcomes by allowing school districts to work together to provide innovative education programs and activities, and share district resources. Directed the education commissioner to select between three and six groups of school districts to participate.
- **School bus crossing control arm:** All school buses manufactured for use in Minnesota after January 1, 2013, must be equipped with a crossing control arm mounted at the right front corner of the front bumper. The arm must be automatically activated whenever the bus is stopped and using its flashing red signals.
- **Prone restraints:** Extended from August 1, 2012 to August 1, 2013 a school district’s authority to use prone restraints. Prohibited physical holding that restricts or impairs a child's ability to communicate distress, places pressure or weight on a child's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in straddling a child's torso. Required the education department to collect data on districts' use of prone restraints and publish the data on the department Web site on a quarterly basis. Also directed the department to develop a statewide plan by February 1, 2013, to reduce districts' use of restrictive procedures, including prone restraints.
- **Minnesota State High School League:** Reduced from 180 to 90 the number of days during which a school must make a good faith effort to join an interscholastic conference before asking the Minnesota State High School League to help the school arrange conference membership.
- **CPR and external defibrillator instruction:** School districts directed to provide onetime CPR and automatic external defibrillator instruction as part of their grade 7 to 12 curriculum.
- **Educating children in foster care:** Efforts must be made to ensure that a child in foster care remains in the same school should the child move from one placement to another.
- **Political activities by public school employees:** A proposal directing school boards to develop and implement policies to ensure that publicly funded resources, such as materials, equipment, and facilities are not used by public employees for political purposes, such as advocating for the passage or defeat of any referendum question, was not adopted.

## EARLY CHILDHOOD EDUCATION/CHILD CARE/CHILDREN/FAMILIES

- **Early childhood development screening notice:** Required school districts to expand upon the early childhood development screening notice that they already provide to a parent or guardian that spells out their right to decline to answer questions or provide information about family circumstances that might affect development and identification of risk factors that may influence learning. The notice must now also include the following statement: “Early childhood developmental screening helps a school district identify children who may benefit from district and community resources available to help in their development. Early childhood developmental screening includes a vision screening that helps detect potential eye problems but is not a substitute for a comprehensive eye exam.”
- **Early childhood education scholarships:** A proposal to authorize the use of low-income early childhood scholarships at any public or private early childhood preschool program was not enacted. These funds can be restricted to use at a “quality-rated” program. The scholarship funding was cut \$2 million in FY 13. Funding in FY 14 and FY 15 increased \$1 million each year.
- **Parent-child home program:** Allocated \$250,000 of the early childhood scholarship program funding specifically to the parent-child home program, which is a program in which educators visit low-income families at home to assist parents in the promotion of language development, literacy and school readiness in preschool age children.
- **Child care assistance program absent days:** Modified the absent day statute for families receiving child care assistance. Currently, under the child care assistance programs there is a limit of ten absent days per fiscal year for which child care providers may be reimbursed. That limitation was altered to allow children in families who meet specified criteria to exceed the ten absent day limit upon request of the program and approval of the county.
- **Early childhood facilities:** Required that 80% of the grants awarded by the commissioner of human services for the construction and rehabilitation of early childhood program facilities, crisis nurseries, and parenting time centers be distributed to facilities located outside of the seven-county metro area. No new funding provided.
- **Child care providers:** Vetoed—a prohibition on union dues or fair share fees being deducted from a child care provider’s assistance payments, even if a provider wishes to spend these funds, which they have earned and is part of their income, in that fashion.
- **Visible Child Work Group:** Established the Visible Child Work Group to identify and recommend issues that should be addressed in a statewide, comprehensive plan to improve the well-being of children who are homeless or have experienced homelessness.
- **Crib safety:** Expanded the existing crib safety requirements applicable to child care provider to include children’s residential facilities, chemical dependency treatment programs with children in care, and residential habilitation programs serving children with developmental disabilities.
- **Child support judgments:** Eliminated the provision providing for a 20-year survival of child support judgments. The judgment will now survive for ten years after its entry, which is similar to other judgments.
- **Berumuda-child support enforcement:** The Commissioner of Human Services directed to enter into a reciprocal agreement with Bermuda for the enforcement of child support obligations.
- **Joint custody:** A proposal to grant both parents involved in a custody case a rebuttable presumption of joint legal and joint physical custody of their children was not enacted. However, the rebuttable presumption that a parent is entitled to receive a parenting time minimum of 25 percent was increased to 35 percent.

## HIGHER EDUCATION

- **Textbook costs:** Directed MnSCU to establish a work group to study methods to lower textbook costs for students, including the expanded use of e-books, and other technology-based innovative practices. Also, an instructor or department requiring a new printed textbook edition must notify students if a previous edition of the textbook, which is often less expensive, is acceptable as a substitute textbook for the course. The course syllabus must include details provided by the publisher of changes between editions of the textbook.
- **MnSCU revenue bonding authority:** Increased from \$300 million to \$405 million. These bonds can be issued for capital projects such as dormitories, residence halls, student unions, food service facilities, parking or other similar revenue-producing facilities.

- **Public Safety Officer Survivor Educational Grant:** Expanded the permitted uses of this grant to include graduate education. These grants are available to children and spouses of public safety officers killed in the line of duty and are used to offset higher education expenses.
- **Government shutdown-MNSCU:** Established a mechanism to keep MNSCU operating in the event of a government shutdown. The measure permits certain types of income, such as student tuition and fees, all federal receipts, aids, contributions, and reimbursements, to be used by the MNSCU system to continue operations in the event of a lack of agreement on the state budget.
- **Regent selection:** The Legislature elected Thomas Devine to serve on the University of Minnesota's Board of Regents, replacing former legislator Steve Sviggum who resigned.
- **Regent selection—former legislators:** A proposal to prohibit former members of the legislature from serving as a member of the University of Minnesota's Board of Regents for a period of two years after leaving legislative office was not enacted.
- **Regent selection—students:** A proposal to increase from one to two the number of members of the Board of Regents of the University of Minnesota who must be students was not enacted.
- **Alcohol sales at TCF Bank Stadium:** Authorized the sale of alcohol at TCF Bank Stadium for Gophers and Vikings football games. For Gophers games the sales must be "at a location in the stadium that is convenient to the general public..." and must be available at that location to the general public at least through half-time. Sales in premium seating areas also permitted. Alcohol can also be sold in the premium seats at hockey and basketball games, but its sale is not required in the general seating areas.

## TRANSPORTATION

- **Speeding violations:** Expanded the "Dimler" law to keep speeding violations off of a person's driving record for going up to (and including) 10 mph over the speed limit in either a 55 mph zone or a 60 mph zone. Currently, the 10 mph exemption applies only in a 55 mph zone; a 5 mph exemption applies in a 60 mph zone. No exemption applies in 65 mph or 70 mph zones. This expansion will be in effect only from August 1, 2012 until August 1, 2014, after which an analysis will be conducted of the impacts on public safety, frequency of speeding, crash rates, travel time efficiency, etc. that are attributable to this expanded exemption.
- **Use of shoulders by buses:** Modified the law governing the authority for buses to operate on the shoulder of freeways (divided highways with full control of access) and expressways (divided highways with partial access control), so that counties, cities, and towns having jurisdiction over the road can authorize such use.
- **Child passenger restraints in school buses:** Eliminated an exception for certain lighter school buses from mandatory use of child restraints. Expanded eligibility for the Minnesota child passenger restraint and education fund, which is used to pay for child passenger restraint systems for families in financial need, to include school districts and child care providers that provide for the transportation of pupils to and from school using type III vehicles or school buses with a gross vehicle weight rating of 10,000 pounds or less.
- **Electric-assisted bikes:** Modified the regulations for electric-assisted bicycles ("e-bikes"), to classify them as regular pedal-operated bicycles (instead of a subset of motorized bicycles, mopeds, or motorcycles) with respect to traffic regulations, riding rules, equipment requirements, registration, etc. Authorized the use of electric-assisted bikes on all pathways, trails, dedicated roadway lanes, shoulders, etc., on which bicycle use is permitted, including state trails managed by the Department of Natural Resources and paths created by local units of government like cities and park boards, unless it is determined that operation of the electric-assisted bike is not consistent with the safety or general welfare of trail users.
- **Bicycle equipment:** Authorized the use of studs on tires, and a front lamp that emits a white flashing light.
- **Safe routes to school:** Established, but did not fund, a "safe routes to school" program for capital investments for safe non-motorized transportation to and from school. Should the program be funded in the future, it will provide financial assistance for such things as installation of sidewalks and trails that would make walking or riding a bike to school more appealing or practical.
- **Motorcycle road guard:** Created a motorcycle road guard certificate under which a person issued such a certificate by the Commissioner of Public Safety can stop and hold traffic during a motorcycle group ride until it is safe for the vehicles to proceed.

- **Pioneer plates:** Modified the titling regulation of antique vehicles (those originally manufactured before 1936) that have been extensively restored, to allow the vehicle to bear a special "pioneer" license plate and obtain a title that says "restored" rather than "reconstructed."
- **Freight rail economic study:** A Freight Rail Economic Development study will be conducted to assess the economic impact of freight railroads in the state and identify opportunities to expand business development and enhance economic competitiveness through improved utilization of freight rail.
- **Southwest corridor LRT:** No. \$25 million had been sought.
- **Transit fare increase:** No.
- **Transit opt-outs:** No expansion.
- **Internet-based driver education:** No authorization granted for the classroom/theory portion of driver's education to be conducted over the Internet.
- **Front license plate:** A proposal to eliminate the requirement that motor vehicles have a front license plate was not enacted.
- **Government shutdown-highway construction:** A proposal to establish an ongoing funding mechanism to cover the administration and costs of contracts in effect at the time of a government shutdown that relate to state road construction, operation and maintenance was not adopted.

## HEALTH & HUMAN SERVICES

- **Health insurance exchange:** No action.
- **Personal Care Attendants:** Delayed until July 1, 2013 the 20 percent rate cut for PCAs who are caring for relatives.
- **ICF/DD provider rate:** Delayed until July 1, 2013 the contingent 1.67% provider rate decrease.
- **Emergency medical assistance:** Expanded coverage to include dialysis services in a hospital or free standing dialysis facility; and surgery and the administration of chemotherapy, radiation, and related services necessary to treat cancer until June 30, 2013.
- **MA-EPD:** Eliminated the age restrictions for eligibility.
- **Corporate Foster Care Beds:** Delayed the mandated 128 corporate foster care bed closure until after July 1, 2013. At that time, a statewide Needs Determination Process will be completed with the hope that beds can be closed voluntarily rather than through a mandate.
- **Long-Term Care Consultations:** Significant changes were made to the long-term care consultation process. Prospective residents are exempt from the consultation process under certain circumstances. The new law adds a consultation requirement for older adults exiting inpatient hospitalization.
- **Low Needs Rate Cut:** The 10 percent congregate care low-need cut will be reduced to five percent if federal financial participation for the alternative care program, a component of the Nursing Facility-Level of Care waiver, is approved by CMS.
- **Mental health out-of-state placement:** Services provided at out-of-state residential mental health treatment programs serving children who are deaf, deaf-blind, or hard of hearing are now covered services under Medical Assistance provided certain conditions are met. Currently, finding such placements in Minnesota is difficult—making out-of-state placements necessary.
- **Autism—foster care:** Directed the commissioner of human services to work with counties to develop licensed foster homes for people with autism.
- **Autism—housing with supports:** The commissioner of human services directed to complete a study to determine one or more models of "housing with supports" that involve coordination or integration across the human services, educational, and vocational systems for children with autism. The study must examine recent efforts in other states to address the housing and long-term support needs of children with severe autism, including a campus model.
- **Autism treatment:** Directed the Health Services Advisory Council to review the efficacy of various treatments for autism spectrum disorder, including an evaluation of age-based variation in the appropriateness of existing medical and behavioral interventions.

- **MFIP:** A reduction in the maximum time limit a person can be on MFIP from 60-months to 36 consecutive months was not enacted.
- **Reporting potential fraudulent use of welfare EBT cards:** Local law enforcement must report to the commissioner of human services the name of every person arrested who possesses more than one welfare EBT card. The commissioner of human services will then verify whether the suspect is authorized to possess any of the electronic benefit cards.
- **EBT public assistance cards—ATM machines:** Directed the commissioner of human services to take all actions necessary to ensure that no person may obtain public assistance benefits under GA or MFIP through the use of an EBT card at an ATM terminal located in or attached to a liquor store, tobacco store or tattoo parlor. This directive already applies to gambling establishments.
- **EBT public assistance cards—tobacco & alcohol:** Any person found guilty of purchasing tobacco products or alcoholic beverages with their EBT debit card will be disqualified from MFIP, the diversionary work program, the work participation cash benefit program, the general assistance program, and the Minnesota supplemental aid program for one year after the first offense, two years after the second offense, and permanently after a third offense.
- **EBT public assistance cards—out of state use:** Prohibited the use of the cash portion of an EBT card at vendors and automatic teller machines located outside of Minnesota, Iowa, North Dakota, South Dakota, or Wisconsin. This prohibition does not apply to the food portion of the EBT card.
- **MFIP—drug convictions:** Persons convicted of a felony-level drug offense within the previous ten years from the date of application or recertification must have their benefits for shelter and utilities paid in vendor form. The other sanctions that already exist in current law will also be imposed on the individual. Those sanctions include: a) mandatory drug and alcohol testing; b) a reduced benefit for the first subsequent failed drug test; c) permanent disqualification from receiving cash and food assistance for a second subsequent failed drug test.
- **Public assistance eligibility & fraud investigations:** The State Court Administrator will share with the commissioner of human services the names of people convicted of felony drug crimes, and the Department of Public Safety will share with the commissioner of human services information about people who have had their driver's license cancelled due to possible fraud or whose temporary legal immigration status has expired. The goal of this information sharing is to ensure that only those individuals who are lawfully entitled to receive public assistance obtain it.
- **Contraceptive insurance coverage:** A proposal to require health plans to provide coverage for contraceptive methods, and not impose any co-pay on that coverage, was not adopted. Health plans sponsored by religious employers would have been exempt from the requirement.
- **Positive alternative grants:** Modified the eligibility requirements for positive alternatives grants by permitting an agency or organization in existence for at least one year as of July 1, 2011, rather than 2005, to be eligible for funding.
- **Abortion—facility licensure:** Vetoed—a requirement that facilities that perform ten or more abortions each month be licensed by the Department of Health.
- **Abortion-inducing drugs:** Vetoed—a requirement that RU-486, or any other drug used to induce an abortion, be administered in the same room and in the physical presence of the prescribing physician. The measure would have also required the physician, or person acting for the physician, to make reasonable efforts to ensure the patient returns for a follow-up visit 12 to 18 days following administration of the drug.
- **Nurse licensure compact:** Not enacted.
- **Health care compact:** Vetoed—legislation entering Minnesota into a health care compact, which would create an alliance with other states to ask Congress to “return the authority to regulate health care to the member states...” Approval by Congress would give the legislature the authority to suspend any federal laws related to health care, which could include opting out of programs such as Medicare and Medical Assistance.
- **Unified Personal Health Premium Accounts:** Vetoed—legislation authorizing the creation of trust accounts that people could establish to receive money from multiple employers, family members or others for the payment of health insurance premiums.

- **Financial audit of HMOs:** Required an independent third-party financial audit of managed care and county-based purchasing plans that provide care for enrollees in state public health care programs to ensure cost-effectiveness and program integrity.
- **Health professional disciplinary action:** The various state health-related licensing boards, such as the Board of Medical Practice, and the Board of Nursing; and the commissioner of health, as the regulator for certain other health care professions are required to post on their Web sites the name of each regulated individual who has: (1) a felony or gross misdemeanor conviction occurring after July 1, 2013 in any state or jurisdiction; (2) a malpractice judgment occurring after July 1, 2013 in any state or jurisdiction; or (3) any disciplinary or corrective action or restriction of privileges taken against the individual's license in this state or any other jurisdiction. The Web site must identify the basis for the disciplinary action and the type of action taken.
- **Health professional background checks:** The various state health-related licensing boards, along with the commissioner of health, directed to study and make recommendations for establishing criminal history background check requirements on all health-related licensees and applicants. The study will examine such things as the circumstances under which a criminal record will disqualify an individual from licensure or working in a specific regulated occupation.
- **Board of Medical Practice—corrective action:** Expanded the public data classification of “disciplinary” action to include any “corrective action” taken by the Board of Medical Practice. “Corrective actions” can include written agreements between a board and a licensee to comply with a certain rule or regulation which, if not followed may result in “disciplinary” action.
- **Health licensing fees:** Fees collected by the various state health-related licensing boards, and by the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, can only be used to pay the costs associated with the regulation of those occupations and professions. The legislature may not transfer money generated by those fees to the general fund to be spent on unrelated state activities.
- **Board of Medical Practice Review:** The Legislative Auditor requested to conduct a special investigation of the Minnesota Board of Medical Practice and its implementation of the Medical Practice Act.
- **Medical Practice Act:** The commissioner of health directed to convene a working group to evaluate the state’s Medical Practice Act to ensure that it effectively protects the safety and well-being of the citizens of the state and allows transparency.
- **Dentistry guest licenses:** Authorized the Board of Dentistry to grant a guest license to a dentist, dental hygienist, or dental assistant provided certain conditions are met, such as the provider agreeing to treat indigent patients. Current law allows these licenses to be granted only to individuals who practice in North Dakota, South Dakota, Iowa, or Wisconsin. Also authorized the board to grant a guest license for volunteer service to a dentist, dental hygienist, or dental assistant who will provide care for patients without compensation for a limited time. The patients must have difficulty accessing dental care.
- **Community paramedics:** Medical Assistance coverage provided for certified “Emergency Medical Technicians-community paramedics” (EMT-CP). Services provided by EMT-CPs include interventions intended to prevent avoidable ambulance transportation or hospital emergency department use, such as the performance of minor medical procedures, initial assessments, care coordination, and the monitoring of chronic disease management directives.
- **Grants to EMS:** Authorized cities and towns to make grants to emergency medical services agencies that serve their communities.
- **Public Employees Insurance Plan (PEIP):** Vetoed—a restriction on the current authority of “exclusive representatives” (local bargaining units) to determine whether the employees it represents will participate in the PEIP program by requiring approval of the employer (city, county, school district) and a majority of all insurance-eligible employees of the bargaining unit.

## CAPITAL INVESTMENT/JOBS/EMPLOYMENT LAW

- **Bonding:** A \$496 million bonding package was adopted to improve Minnesota’s public infrastructure. Investments were made in: MNSCU; the U of M; wastewater treatment infrastructure; flood hazard

mitigation; dam repair & removal; RIM; the development of Lake Vermillion State Park; parks & trails; local roads & bridges; Greater MN transit; rail and port improvements; libraries, the Minnesota Zoo, and the State Capitol, among other entities.

- **Asset preservation:** As with previous “bonding” bills, a focus of this year’s capital investment bill was the maintenance of the state’s infrastructure (i.e. “asset preservation”). Asset preservation investments were made all across Minnesota in a variety of areas including, higher education, military & veterans’ affairs, corrections, human services, historical society, and other state agencies. “Asset preservation,” refers to the basic repair and renewal of state buildings to ensure they are safe, accessible, and functional. Asset preservation includes roof, window and door repair and replacement; mitigating safety hazards; code compliance projects; elevator repair; abatement of hazardous materials; mechanical and utility repairs/upgrades; HVAC improvements, sewer repairs, etc. One goal of asset preservation is to reduce long-term facility costs by attending to preventive maintenance needs (i.e. replace an aging roof before it begins leaking and water damages the interior of the building).
- **Greater MN Business Development Public Infrastructure Grant Program:** \$6 million allocated to assist counties or cities in Greater Minnesota with the capital costs of public infrastructure (sewers, utility extensions, water supply systems, wastewater treatment systems, etc.) that are necessary for economic development projects. The purpose of the grants is to keep or enhance jobs in the area, increase the tax base, and to expand or create new economic development in the areas of manufacturing; technology; warehousing and distribution; research and development; and agricultural processing.
- **Business Development Through Capital Project Grant Program:** \$47.5 million allocated for a new competitive grant program for local units of government. The program is structured so that it is very broad in the types of projects that are eligible for funding and the governmental units that may apply. The projects must, however, be consistent with constitutional uses for general obligation (GO) bonding.
- **Capitol restoration:** \$44 million allocated to begin the process of repairing and restoring the State Capitol.
- **Vikings stadium:** Yes.
- **Housing:** \$35.5 million for supportive and public housing needs, and the acquisition and remediation of foreclosed properties that will be used for affordable rental housing
- **Restoration of Peace Officers’ Memorial on the Capitol Grounds:** Yes.
- **Lutsen Ski Resort-water draw:** Established a Lake Superior-Popular River Water District. Made the District eligible for funding through the Greater MN Business Development Public Infrastructure Grant Program in order to acquire easements and other interests in real estate; and to engineer, design and construct projects to transport and treat water from Lake Superior through the Poplar River Valley to serve domestic water users, irrigation water users, and commercial, stock watering, and industrial users, including Lutsen Ski Resort. State funding must be matched by at least \$1.2 million from non-state sources.
- **Prevailing wage:** The formula for computing the “prevailing wage” payable on projects that are funded, in whole or in part, with state funds was not modified.
- **Right to work:** A proposal to amend the constitution to “guarantee all citizens the individual freedom to decide, without having it affect their employment status, to join or not join a labor union” was not enacted.
- **Independent contractors:** Adopted an initiative to aid in the prevention of employers from misclassifying workers as “independent contractors” in order to avoid responsibility for such things as workers’ compensation insurance, unemployment insurance, and employment taxes.
- **Small business advocate:** Established a small business advocate office within the Business Assistance Center to provide one-stop access for small businesses in need of information or assistance in obtaining or renewing licenses, meeting state regulatory requirements, or resolving disputes with state agencies.
- **Advisory inspections:** State agencies directed to provide “advisory inspections” upon request of a person/business who is trying to comply with state law.
- **Jobs Now Tax Credit:** Governor Dayton’s proposal to provide a \$3,000 tax credit for each unemployed Minnesotan, veteran or recent graduate hired in 2012, and a \$1,500 credit for each new hire though June 2013 was not enacted.

- **“Bridges to Work” pilot program:** Not established. It provided for up to 5,000 unemployed workers to receive up to eight weeks of paid job training with an employer without losing their unemployment insurance benefits.

## **PUBLIC SAFETY**

- **Disaster relief:** \$235,000 allocated to provide a match for FEMA disaster assistance to state agencies and local units of government as a result of the 2010 spring flooding.
- **Safe Place for Newborns:** Expanded the locations where a parent or other person, with the mother’s permission, may anonymously drop off a newborn shortly after birth without fear of criminal prosecution for abandoning the child. In addition to hospitals, newborns can now be left at 24-hour urgent care centers, and with ambulance personnel dispatched in response to a call via 911. Also, increased from 72 hours to seven days the timeframe in which an infant can be dropped off.
- **Fire Safety Account:** \$4.5 million appropriated from the fire safety account. The money in this account is raised from a charge on homeowners’ insurance policies and is intended to be used for firefighter training and other fire prevention related initiatives. The charge on homeowners’ policies reduced effective July 1, 2013. After 2015 eliminated future scheduled transfers from the account to the general fund.
- **Civilly committed sex offenders—community notification:** Established a process for notifying community members when a sex offender is released from the Minnesota Sex Offender Program (MSOP) into a residential facility.
- **Vulnerable adults—new felony level sanction for neglect:** Created a new felony-level sanction for a caregiver to intentionally deprive a vulnerable adult of necessary food, clothing, shelter, health care, or supervision, when the person is reasonably able to make the necessary provisions.
- **Restraint of a child:** Modified the crime of “unreasonable restraint of a child” by reducing the resulting level of harm required for a felony offense to be applicable.
- **Domestic abuse enhanced penalties:** Expanded the list of “qualified domestic violence-related offenses” to include female genital mutilation (FGM). This expansion will permit stiffer criminal sanctions to be imposed against people charged with various crimes if they have a previous FGM conviction. The crimes for which the penalties could be enhanced include: violation of an order for protection, restraining order, or no contact order; stalking; domestic assault; and fifth-degree assault.
- **Open juvenile court hearings:** No change in the standard governing the opening of juvenile delinquency hearings to the public.
- **Firearms—deadly force:** Vetoed—an expansion of the authorized use of deadly-force as a means of self-defense; and the recognition of all “permits to carry” issued by other states or other non-Minnesota governmental jurisdictions regardless of the eligibility criteria of those states or jurisdictions.
- **Firearms—county attorneys:** Authorized a county attorney, or an assistant county attorney to carry a firearm while on duty provided they lawfully possess a permit to carry a pistol issued under Minnesota’s “conceal carry” statute. However, this authority can be restricted by the chief county attorney should he or she believe it is appropriate to do so. In addition, the new law does not supersede a judge’s inherent judicial authority to ban weapons in the actual courtroom or judicial complex.
- **Forfeited firearms:** Authorized law enforcement agencies to sell forfeited weapons, including forfeited firearms, to federally licensed firearms dealers. Current law requires that, upon forfeiture, any contraband weapons must be destroyed, unless they are used by the appropriate agency for law enforcement purposes.
- **Silencers:** Created an exception to Minnesota’s prohibition on the sale and possession of firearm silencers. Authorized federally licensed firearms importers, manufacturers, and dealers (FFLs) to possess silencers for the purpose of selling them to: (1) federal, state, or local government agencies; (2) units of the U.S. Armed Forces; and (3) other FFL licensees.
- **Crimes committed against prosecuting attorneys:** No enhanced criminal sanctions for causing the death of or assaulting a prosecuting attorney.
- **Search warrant authority:** Granted members of the Department of Corrections’ Fugitive Apprehension Unit the authority to apply to the court for a search warrant.

- **Victim notification:** Victims who want to be informed when their offender is released from prison or a secure hospital can now receive that notification electronically if they so desire.
- **Challenge Incarceration Program (CIP):** Further restricted the class of offenders who are eligible for the Department of Corrections' "boot camp" (Challenge Incarceration Program), which provides a mechanism for an offender's early release.
- **Jacob's Law:** Granted each party to a custody order the right of access to police reports about the parties' minor children, and the right to be notified by the other parent if a child is the victim of an alleged crime. That right includes the right to the name of the investigating law enforcement officer or agency.
- **Violations of restraining orders:** Made it easier to prosecute violations of restraining orders that occur in multiple counties. Now, a person who commits violations in two or more counties may be prosecuted for all of the acts in any county in which one of the acts was committed. In addition, a person may be prosecuted at the place where any call is made or received or, in the case of wireless or electronic communication or any communication made through any available technologies, where the actor or victim resides.
- **Gang activity:** Under current law, a criminal gang that continuously or regularly engages in gang activity is deemed to be a public nuisance. As a result, a prosecutor may seek, and a court may enter, an order enjoining persons from engaging in gang activity. This bill expands the list of offenses that constitute "gang activity" to include unlawful possession of a firearm by a minor.
- **Gas drive offs:** Modified the criminal theft statute to assist in the prosecution of gas drive offs. Also, authorized the gas stations' trade association to assist gas station retailers in the collection of the cost of the fuel and related service charges from the "drive-off" driver.
- **Synthetic drugs/cannabinoids:** Strengthened Minnesota's drug laws to better combat the problem presented by synthetic drugs. For example, increased the penalty for the sale of synthetic cannabinoids from a gross misdemeanor to a felony.
- **Color of sheriff's vehicles:** Expanded the list of allowable main colors of county sheriffs' office vehicles to include black or gold. Currently, those vehicles must be predominantly brown or white.
- **Civil forfeiture:** Made a variety of modifications to the laws governing forfeiture. For example, prohibited forfeited property from being sold to the prosecuting authority or any person related to them by blood or marriage.
- **Civilian review authorities:** Prohibited civilian review authorities from: (1) making "findings of fact" or determinations about police complaints, and (2) imposing discipline on peace officers. Civilian review authorities authorized to make advisory recommendations about police misconduct complaints.
- **Phony liens:** Established a felony sanction for filing phony liens and related documents in order to retaliate against a sheriff, deputy sheriff, or county recorder due to those public officials' performance of their official duties in connection with a sheriff's sale or the filing of lawful real property liens against the offender.
- **Careless driving:** A proposal to increase the criminal penalty for careless driving that results in the death of another person was not enacted.
- **Capitol security I:** The commissioner of public safety authorized to require the State Patrol to provide protection to Supreme Court justices, legislators, and constitutional officers in response to a credible threat on the individual's life or safety.
- **Capitol security II:** Established an advisory committee on Capitol Area Security in order to enhance the safety of the Capitol Area Complex.
- **Prison gardens:** An inmate gardening program will be instituted at those state correctional facilities where space and security allow for the operation of a garden. Inmates will help grow their own food. Any portion of the harvest that cannot be used to feed inmates will be donated to food shelves and charities.
- **Fallen Firefighters Memorial Day:** Moved the date designated for Fallen Firefighters Memorial Day from the first Sunday in October to the last Sunday in September.
- **Soft body armor:** \$472,000 appropriated to reimburse law enforcement officers and local units of government who purchase bullet-resistant vests.

## ENVIRONMENT & NATURAL RESOURCES

- **Environmental permitting efficiency:** Modified the permitting goals established last year, to ensure that PCA and DNR environmental permits are issued more efficiently.
- **Environmental “permitting professionals”:** Authorized permit applicants to hire "permit professionals" to assist with the permitting process by, among other things, preparing the permit application and draft permit.
- **Minnesota Business First Stop--environmental permits:** “Minnesota Business First Stop,” a multi-state agency collaboration, will help ensure the coordination, implementation and administration of state permits. A person proposing a project may apply to the Minnesota Business First Stop for assistance in obtaining the necessary state permits and other approvals.
- **Alternative form of environmental review:** Authorized the commissioners of the PCA and the DNR to jointly conduct a pilot program for an alternative form of environmental review.
- **Government shutdown—environmental permits:** Did not enact a proposal that provided if a budget to fund air, water, and land programs at the PCA and/or DNR were not enacted by the necessary budget deadline, existing permits could not be terminated or suspended if the terms of the permit and all laws and rules are met, regardless of the state's capability to review, or process fees, reports, or other filings.
- **Outdoors, arts & cultural heritage constitutional amendment:** In the 2008 general election voters approved a constitutional amendment to increase the state sales tax 3/8 of 1% to fund various priorities, including outdoor initiatives, clean water programs, parks and trails, and arts & cultural heritage. This year the Legislature appropriated \$99.9 million for outdoor heritage projects; \$6 million for clean water; and \$1.6 million for the arts and cultural heritage. No new funding for parks and trails provided this year.
- **Lessard-Sams Outdoor Heritage Council:** The "Lessard-Sams Outdoor Heritage Council" (LSOHC) advises the Legislature on how best to utilize the outdoor heritage funding that results from passage of the constitutional amendment (see above). The council is made up of private citizens and legislators. This year the council made \$99.9 million in recommendations, which were adopted by the Legislature almost in full. Thirty-three projects or programs were funded. They are located in approximately 73 of the state's 87 counties and include activities such as: protection and restoration of prairies & grasslands; shoreline habitat protection; shallow lakes and wetlands enhancement and restoration; restoration and enhancement of in-stream and riparian fish and wildlife habitat in coldwater streams; and forest wildlife habitat protection and enhancement. Approximately 129,000 acres will be acquired, restored, or enhanced.
- **Mississippi River Northwoods Habitat Complex:** \$11 million appropriated from the outdoor heritage fund to acquire land along the Mississippi River in Crow Wing County to be added to Crow Wing State Forest.
- **Reinvest in Minnesota (RIM):** \$13.8 million appropriated to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program.
- **Aquatic invasive species control—research & barriers:** \$3.8 million appropriated from the environmental trust fund and the clean water fund for research on aquatic invasive species that threaten our state's lakes, rivers, streams, wetlands, and other aquatic habitat. Also appropriated \$7.5 million to construct and evaluate structural deterrents, such as electric fish barriers, to protect against Asian carp.
- **Invasive species control—sanctions:** Doubled the civil fines for a first violation of failing to comply with the laws governing the transporting or introduction of invasive species into Minnesota's waters, such as failing to remove drain plugs, open valves, or drain water from water—related equipment when leaving waters of the state or when transporting the equipment. In addition, created a new level of fine for a second or subsequent offense. Those fines will be twice the amount of the fine for a first offense.
- **Invasive species control—prevention course and trailer decal:** Effective July 1, 2015 a person will be prohibited from transporting watercraft or water-related equipment with a trailer unless the person has an aquatic invasive species trailer decal adhered to the side of their trailer. The decal will be issued to them upon satisfactorily completing an educational course on how best to prevent the spread of aquatic invasive species when moving watercraft or water-related equipment.
- **Invasive species control—inspection delegation:** The DNR commissioner granted authority to enter into “delegation agreements” with tribes or local units of government to grant them aquatic invasive species inspection authority.

- **Government shutdown-state parks:** A proposal to ensure that state parks and recreation areas remain open for camping and other recreational activities in the event of a future government shutdown was not enacted.
- **Privatization of state parks:** The DNR directed to prepare a report about the long-term use, expansion, funding and administration of Minnesota's system of state parks, recreation areas, trails, and state forest day use areas. At a minimum, the report will examine long-term funding options in order to reduce reliance on state general fund appropriations used to maintain and operate these recreational activities. Such options could include privatizing or “repurposing” Minnesota’s state parks, day use areas, etc.
- **Water quality standards:** Not adopted—a prohibition on state water quality standards being more restrictive than federal standards.
- **Wetlands Conservation Act:** Eased restrictions in the Wetlands Conservation Act governing draining wetlands. In certain situations, increased the “de minimus” area of a project that does not require a wetland replacement plan.
- **Disability park pass:** Expanded the discounted rate for state park admission, parking and campsite use to those who are permanently disabled and possess the federal government’s park access pass. This change was necessary because the state’s discount is currently available only to those with disability vehicle license plates, which not all people with disabilities possess.
- **Wolf season:** Authorized the taking of wolves by firearms; bow and arrow; and trapping. The open season to take wolves by firearms will begin on the same day as the opening of the firearms deer hunting season. The DNR commissioner authorized to establish where wolves may be taken; the daily and possession limits; an annual quota; and a limit on the number of persons that may hunt or trap wolves in an area, if it is necessary to prevent an overharvest or improve the distribution of hunters and trappers. A wolf management and monitoring account funded by wolf license fees established to support wolf management, research, damage control, enforcement, and education.
- **Game and Fish license fees:** Increased. Increased various DNR license fees in order to financially shore up the Department of Natural Resources’ Game and Fish Fund which is used to support game and fish initiatives. For example, increased resident fishing licenses from \$17 to \$22; married couple fishing license from \$25 to \$35; and individual resident deer hunting licenses from \$26 to \$30.
- **Government shutdown-electronic game & fish license purchases:** Game and fish licenses will be able to be bought electronically should there be a future government shutdown (the Freedom to Hunt and Fish Act of 2012).
- **Venison donation program:** Retained. However, most of the donations and license surcharges that have been paid by hunters in the past to help fund the costs of processing deer donated to food shelves will now be used to fund a walk-in access program (see below). Also, a proposal to exempt from the food-safety laws venison donated for charitable purposes was not adopted.
- **Walk-in access program:** Established a walk-in public access program to provide public access to private land for hunting (not trapping). A person purchasing an annual small game license may agree to add a \$1, \$3, or \$5 donation to the license fee to help pay for the administration of the walk-in program. In addition, most of the donations and surcharges that are currently used to support the venison donation program were transferred to the walk-in access program (see above).
- **Hunters with disabilities:** Authorized a hunter with a physical disability who has a verified statement of the disability from an approved health care provider to use a swivel or otherwise mounted firearm or bow, or any electronic or mechanical device, to discharge a firearm or bow as long as the participant is physically present at the site.
- **Hunter satisfaction survey:** The DNR will administer a hunter satisfaction survey to assess such things as hunter preferences, barriers to participation, interests, etc.
- **Scopes on muzzleloaders during the muzzleloader season:** Not enacted.
- **DNR mission:** Expanded the DNR’s mission to include the planning and implementation of activities designed to recruit new outdoor recreation participants, including youth, women, and minorities, and retain existing participants. This includes participants such as anglers, hunters, trappers, and campers.
- **Shooting range accessibility:** A publicly owned or managed shooting range located in the seven-county metropolitan area, such as a police shooting range, must be made available at least twice during the spring

and twice during the summer for use by participants in a Minnesota DNR firearms safety instruction course. This requirement does not apply to the cities of Minneapolis and St. Paul or a shooting range located on the same premises as a correctional or detention facility that holds or incarcerates offenders.

- **Animal body-gripping traps:** Prohibited, except as a waterset, the use of certain types of body-gripping or conibear-type traps on public lands and waters unless certain conditions exist, such as the trap being elevated at least three feet above the surface of the ground.
- **Nonresident trapping:** A proposal to remove the restriction limiting nonresident trapping to only land owned by the nonresident trapper was not enacted.
- **Temporary drawdown of public waters:** Authorized the temporary drawdown of shallow lakes for fish, wildlife, or ecological management purposes, provided the DNR has conducted a public hearing presenting a comprehensive management plan outlining how and when the drawdown will be conducted.
- **State land reforestation:** \$2.5 million for planting, seeding and other reforestation activities.

## ENERGY

- **Water conservation rate structures:** Eliminated a requirement that public water suppliers serving more than 1,000 people adopt conservation rate structures. Conservation rate structures are rate structures that encourage conservation, such as excess usage rates, etc. Suppliers must, however, encourage water conservation.
- **PUC commissioner confirmation:** Senate rejected the confirmation of Governor Mark Dayton's appointment of former State Senator Ellen Anderson to the PUC.

## AGRICULTURE

- **Minimum ethanol content:** Extended from August 30, 2013 to August 30, 2015 the date by which nearly all gasoline sold in Minnesota must contain 20 percent ethanol (commonly referred to as "E20," or a blend of 80 percent gasoline and 20 percent ethanol). Currently, state law requires a ten percent ethanol blend (i.e., E10) for most gasoline sold in the state. With few exceptions, if you fuel up in Minnesota you are purchasing E10.
- **Next generation biofuel blends:** The NextGen Energy Board directed to provide the legislature an analysis of the next generation of biofuels that can be blended with gasoline or other energy sources. The board will provide policy recommendations for updating Minnesota's biofuels mandates.
- **Raw milk:** A proposal to permit dairy farmers to sell raw milk directly to consumers at farmer's markets, farm stands, private buying clubs, community fairs, a consumer's residence, etc. was not enacted. Current law requires consumers to purchase raw milk directly at the farm where the milk is produced.
- **Food safety:** Granted the Department of Agriculture new civil and administrative penalty authority for food safety violations.
- **Good manufacturing practices (GMP):** Established a voluntary "certification of good manufacturing practices" for commercial feed and feed ingredients. The new law will allow the Minnesota Department of Agriculture to conduct the needed inspections at a manufacturer's request and issue a GMP certificate. The certificate will enable Minnesota manufacturers to export their products to countries that require such a certification, such as Brazil.
- **Agricultural Micro Loan Pilot Program:** Established a new Micro Loan Pilot Program to assist women, minorities, people with disabilities and immigrants. Loans of no more than \$10,000 will be provided to qualifying borrowers to help finance the production of specialty crops (such as annuals, flowers, perennials, and other horticultural products that are intensively cultivated), and qualifying livestock (poultry that has been allowed access to the outside, sheep, or goats).
- **Home garden seeds:** Modified existing law to permit the packaging of vegetable and flower seeds intended for home gardens to show the number of seeds in the package, and not just the net weight of the seeds. The measure is intended to give consumers more meaningful information about what they are buying.
- **Dairy research:** Established the "Dairy Research, Teaching, and Consumer Education Authority" to secure, design, develop, and operate a facility to advance the dairy industry.

- **GMOs:** Not enacted—a proposal to require the Commissioner of Agriculture to conduct an evaluation of the options to provide food label information to consumers about the use of genetically engineered organisms in food sold in Minnesota.
- **Industrial hemp I:** Commercial hemp production not authorized.
- **Industrial hemp II:** Not enacted—a measure to require the Commissioner of Agriculture to submit a proposal to the legislature detailing how to expeditiously legalize and regulate industrial hemp as an agricultural crop once the U.S. Drug Enforcement Administration authorizes a person to commercially grow industrial hemp in the United States.
- **Cuba:** Not enacted—a directive to Minnesota's Governor and Commissioner of Agriculture to urge the President of the United States and Minnesota's congressional delegation to remove unnecessary trade, financial, and travel restrictions to Cuba in an effort to promote agricultural exports.
- **Mental health counseling:** Expanded eligibility for mental health counseling to include farmers or their families who are located in any rural area declared a disaster by FEMA or the U.S. Department of Agriculture.

## VETERANS SERVICES/MILITARY AFFAIRS

- **MN Veterans Homes:** \$4.36 million for improvements at the Minneapolis Vets Home, including a new skilled nursing building.
- **County Veteran Service Officers:** \$200,000 allocated for community outreach to all eligible veterans regarding the availability of benefits they have earned and especially those relating to posttraumatic stress disorder.
- **Minnesota Assistance Council for Veterans:** Increased funding \$100,000 to the Council to provide assistance to veterans and their families who are homeless or in danger of homelessness, including housing, utility, employment, and legal assistance.
- **GI Bill expansion:** Directed the Commissioner of Veterans Affairs to develop and implement an apprenticeship and on-the-job training program within the confines of the Minnesota GI Bill. The program will provide up to: (1) \$2,000 per year for apprenticeship expenses; (2) \$2,000 per year for on-the-job training; (3) \$1,000 for a job placement credit payable to an eligible employer upon hiring a person participating in the program; and (4) \$1,000 for a job placement credit payable to an eligible employer after a program participant has been employed by the employer for at least 12 consecutive months as a full-time employee. No more than \$3,000 in aggregate benefits can be paid to or on behalf of an individual in one year, and not more than \$9,000 in aggregate benefits can be paid to or on behalf of an individual over any period of time.
- **Honor Guards I:** Under current law the Commissioner of Veterans' Affairs is authorized to pay up to \$50 to a local unit of a congressionally chartered veterans organization as compensation for providing honor guards at the funerals of veterans. The Commissioner also has the discretionary authority to give priority in awarding the available funding to local units that do not have charitable gambling operations. This legislative session the commissioner's discretionary authority to prioritize the awarding of grants in that manner was eliminated.
- **Honor Guards II:** \$100,000 appropriated for honor guards at the funerals of vets.
- **Honor Guards, Color Guards, Marching Bands:** Increased from \$35 to \$50 the per diem stipend lawful gambling organizations are authorized to pay to each member of a military marching band, color guard, or honor guard unit for each performance by the unit in Minnesota or its contiguous states.
- **Reemployment rights I:** Minnesota law currently protects the re-employment rights of any member of the Minnesota National Guard - irrespective of whether the person is a Minnesota resident or non-resident - who while employed within Minnesota is ordered into active military service by order of *the Governor of Minnesota*. However, these protections *do not apply* when the mobilization is by order of *the Governor of any other State*, even though the person's civilian employment is located within Minnesota. Minnesota law was modified to cover that situation by applying these protections to the Minnesota civilian jobs of the National Guard members of *any State*, both Minnesota residents and nonresidents alike (so long as the person's civilian job *is located within Minnesota*).

- **Reemployment rights II:** Public employees granted leaves of absence without pay, but with the right of reinstatement, during convalescence for an injury or disease incurred during active service.
- **Public employment veterans' preference credit:** Increased from five to ten points the credit awarded to nondisabled veterans on the competitive open examination rating; and from ten to 15 points the credit awarded to disabled veterans.
- **County veterans preference:** County boards authorized to establish a veterans preference program to provide up to a six percent bid preference for awarding contracts to designated veteran-owned small businesses for the procurement of technical and nontechnical goods and services including, but not limited to, printing and construction projects.
- **Veterans preference-noncompetitive hiring:** Authorized the hiring of a disabled veteran to a vacant position in classified service of state government on a noncompetitive basis, provided that the veteran has a service-connected disability of 30 percent or more; and is qualified for the position.
- **Permissive private employment preference:** Authorized, but did not require, private employers to grant a hiring and promotion preference to a veteran, a spouse of a disabled veteran who has a service-connected permanent and total disability, and to a surviving spouse of a deceased veteran without fear of running afoul of state and local employment discrimination laws.
- **Right to sue the state:** The Eleventh Amendment to the U.S. Constitution prohibits a state from being sued in federal court, unless the state has explicitly consented to being sued. This "sovereign immunity" has meant that in some circumstances service members and veterans who are state employees are unable to exercise employment law rights that are granted by federal law, because cases alleging violations of federal law must be brought in federal court. This session the Legislature waived the state's immunity to being sued in federal court for claims arising out of the Uniformed Services Employment and Reemployment Rights Act (USERRA). USERRA is a major federal law designed to protect service members' reemployment rights when returning from a period of service in the uniformed services, including persons called up from the reserves or National Guard; it also prohibits employer discrimination based on military service or obligation.
- **Military awards:** The Governor granted the authority to award "suitable marks of distinction" (i.e. medals or awards) to nonmembers of the state's military forces (National Guard) for distinguished service or support to the military forces of Minnesota.

## GOVERNMENT OPERATIONS

- **The MAGIC Act:** The Minnesota Accountable Government Innovation and Collaboration Act (MAGIC) was not adopted. Under the proposal counties would have been authorized to request a waiver to bypass state regulations, mandates, and statutory restrictions and come up with their own solutions to various problems on a pilot project basis.
- **Fund transfer-construction inspections:** Eliminated future scheduled transfers of money from the construction code fund to the general fund effective 2015. The construction code fund gets its funding from inspection fees. That funding is intended to be used for specific inspection purposes. However, some of those funds are currently being transferred to the General Fund for use on state services unrelated to inspections. Raiding various dedicated funds such as this one is a tactic that has been employed in recent years to balance the state budget.
- **Government shutdown—lights on:** A comprehensive proposal to prevent a future government shutdown by continuing all state funding in the event of a lack of agreement on the state budget was not enacted. In addition, numerous bills to continue specific state operations in the event of a shutdown were not enacted. Among the operations addressed by the various proposals: electrical inspections; environmental permitting; the Racing Commission, Gambling Control Board, and State Lottery; state parks and recreation areas; the Minnesota Zoo; alcohol purchases by licensed retailers; and DOT construction projects. However, proposals to keep funding flowing to MNSCU, and to ensure that "Game and Fish" licenses can be bought electronically (the Freedom to Hunt and Fish Act of 2012) were enacted.
- **Legislative immunity:** Under the Minnesota constitution, a legislator can avoid arrest during the legislative session unless the offense constitutes treason, a felony, or a "breach of the peace." A proposal to clarify in

statute that DWI offenses constitute breaches of the peace for which no legislative immunity would be granted was not enacted.

- **Employee gain-sharing:** Increased the financial incentive in the employee gain-sharing program. The gain-sharing program rewards state employees with a bonus if their suggestion or involvement in a project results in a documented cost-savings to the state. The bonus may now be up to \$50,000. Previously, the law capped the bonus at up to 10 percent of the savings up to a maximum of \$1,000 for an individual or \$2,500 for a group of employees. The award will continue to be paid from the savings generated by the suggestion.
- **Pension fund interest rate assumption:** Lowered from 8.5% to 8.0% for five years the preretirement assumed rate of return used to calculate the long-term fiscal health of the Minnesota's public retirement plans. The change was made to ensure that the pension funds have a realistic assessment of their unfunded liabilities.
- **Expired public sector collective bargaining agreements:** Vetoed—a measure providing that contracts can not continue in effect after the expiration date stated in the contract, and the parties to the contract may not agree to extend or honor a contract term beyond that date if the contract term would: (1) provide a wage or salary increase; or (2) provide an increase in the dollar amount of the employer contribution for insurance benefits.
- **Public employee definition:** Vetoed—a modification to the definition of what constitutes a “public employee.” The Public Employment Labor Relations Act (PELRA) defines the "public employees" who are covered by the PELRA law. Only those persons defined as "public employees" are included in bargaining units established under the act. Under current law, employees who are full-time students working on a temporary or seasonal basis in positions that are not for more than 100 working days in a calendar year are excluded from the definition of "public employee." But this exclusion applies only if the employee is under the age of 22. A proposal was vetoed to strike the reference to "under the age of 22" so that all full-time students working on a temporary or seasonal basis for not more than 100 days in a year would be excluded from PELRA coverage, regardless of age.
- **Negotiations to avoid layoffs:** If the commissioner of management and budget determines that layoffs of executive branch employees may be necessary, the commissioner may request union representatives to negotiate modifications to the collective bargaining agreements that would allow appointing authorities to implement unpaid leave and reductions in hours, instead of imposing layoffs.
- **Outside contracting:** Vetoed—a grant of authority to the Department of Administration to outsource waste removal without determining that no current state employee is able and available to perform the services.
- **E-Verify:** Vetoed—a requirement that all employers in the legislative, executive, and judicial branches to use the federal E-Verify program for all newly hired employees.
- **Administrative rules—legislative approval:** A proposal to require “major rules” adopted by state agencies to come under legislative review before they take effect, and every two years thereafter was not adopted. A "Major rule" means a rule that has significant adverse financial impact on businesses or consumers.
- **Administrative rules:** Required the “statement of need and reasonableness” that state agencies must prepare to justify adoption of a proposed administrative rule to include an assessment of the cumulative effect of the proposed rule with other federal and state regulations related to the specific purpose of the rule.
- **Administrative rules—approval by governor:** A measure to require the governor to approve an administrative rule before its final enactment was not adopted.
- **Administrative rules—ALJ decisions final:** Vetoed—a proposal to give the Office of Administrative Hearings the final say in contested cases between state agencies and those they regulate.
- **Administrative rules—moratorium:** A proposal to impose a two year moratorium on state agency rulemaking, except in very limited circumstances, was not enacted.
- **Administrative rules—oversight:** Vetoed—a requirement that state agencies as part of the administrative rule making process determine if the cost of complying with a proposed rule in any year after the rule takes effect will exceed \$10,000 for: (1) any business that has fewer than 25 full-time employees; (2) any county, town, or city that has fewer than 25 full-time employees. If it was determined that the cost exceeds \$10,000, the rule could not go into effect until it was adopted by the legislature.

- **Local land use restrictions:** A proposal to impose greater restrictions on local governments' use of interim (moratorium) ordinances was not enacted.
- **Reorganization services:** The commissioner of administration directed to make available a list of eligible contractors who can assist state agencies in using data analytics to organize more efficiently so that, among other things, redundancies are eliminated, and span of control ratios are optimized.
- **State back office functions:** A study will be conducted on the efficiency of the state's various back office functions: accounting, finance, procurement, and human resources. The study will include an objective comparison of the performance of the state in these areas to peer groups and world-class organizations.
- **Waste haulers-local units of governments:** A proposal to grant trash haulers the right to sue (inverse condemnation) local governments that take away their customers through various means such as limiting the number of waste haulers who can serve an area, or who begin providing trash collection service themselves was not enacted.
- **Met Council staggered four-year terms:** Vetoed.
- **Data classification of settlement agreements:** Clarified the data classification of certain types of personnel data involving public employees to provide that the complete terms of any agreement settling any dispute arising out of an employment relationship, including a buyout agreement, are public data if the agreement involves the payment of more than \$10,000 of public money. Also, expanded the list of local government employees who are classified as "public officials" thereby ensuring greater public disclosure of data related to a complaint or charge against the official. The list was expanded to include, among others, superintendents, principals, school district human resource directors and business managers. These modifications were made in response to the \$255,000 buyout of the Burnsville-Savage-Eagan School District's human resources director. The rationale for the settlement has been kept private.

## ELECTIONS

- **Photo ID to vote:** At the 2012 general election voters will be asked the following question: "Shall the Minnesota Constitution be amended to require all voters to present valid photo identification to vote and to require the state to provide free identification to eligible voters, effective July 1, 2013?"
- **Redistricting:** Legislation to redraw the state's congressional and legislative boundaries was not enacted. Consequently, a specially appointed judicial panel issued an order establishing new boundaries.
- **Guardianship—right to vote restricted:** A proposal to prohibit individuals placed under guardianship from voting was not enacted.
- **State primary date:** No change. An effort was not successful to move up the date of the state primary from August to June.
- **Political party coercion:** A political party may not, through imposition or threatened imposition of any fine, sanction, or other penalty, attempt to coerce an individual who does not have the party unit's official endorsement as a means to prevent the individual from filing as a candidate for office.

## CONSUMER AFFAIRS

- **Home foreclosure/home sales:** A series of initiatives to address problems related to home sales and foreclosures were not enacted, including a requirement that lenders either accept, deny, or accept subject to certain conditions a short sale request within 30 days after receiving the request; and a prohibition on foreclosure if the lender has not acted on a pending loan modification request.
- **Formaldehyde:** Did not enact a ban on manufacturers selling a children's product that contains formaldehyde.
- **Toxic free products:** A proposal to improve the monitoring of "priority chemicals" that could pose a risk to children was not enacted.
- **Pawn shops:** A proposal to permit certain pawnshops to operate as a type of bank (industrial loan and thrift) in order to charge higher fees for pawn loans was not enacted. By operating under banking law, the shops also would have been able to avoid various consumer protection laws such as: municipal licensing requirements; and law enforcement regulations governing the tracking of stolen goods.

- **Money transmitter scam prevention:** Money transmitters required to: (1) provide consumer fraud warnings on transmittal forms; (2) train their agents in consumer fraud prevention; (3) monitor how their agents handle transmittals; (4) establish a toll-free number for consumers to call to report suspected or known fraud; and (5) allow individuals to disqualify themselves from sending or receiving money transfers. The disqualification lasts for one year, unless the consumer asks for it to be in effect for a longer period or terminates the disqualification in writing.
- **55-Alive auto insurance discount:** Current law requires auto insurance companies to give a premium discount of at least ten percent to drivers over age 55 who take an initial eight hour accident prevention course. The premium reduction can be maintained by taking a shorter four hour "refresher course" every three years. This year the Legislature clarified that law to provide that a person who is age 58 or older and passed the initial course and waits more than three years to take the refresher course is entitled to have the premium discount restored beginning with the successful conclusion of the refresher course. (In other words, the person does not have to re-take the longer initial eight hour course.)
- **Auto insurance -- "no pay, no play":** Not enacted—a proposal to eliminate, with certain exceptions, a person's right to sue for "pain and suffering," physical impairment, disfigurement, and other similar nonmonetary losses (as compared to medical expenses) if the person was the owner of an uninsured vehicle involved in an accident, or the person was ultimately convicted of being impaired by alcohol or a controlled substance at the time of the accident.
- **Auto insurance cappers, runners and steerers:** Prohibited health care providers from using "cappers, runners, and steerers" to seek out and solicit motor vehicle accident victims as patients.
- **Travel insurance:** "Travel retailers" authorized to offer and disseminate travel insurance for a fee without being directly licensed in the insurance field provided certain conditions are met. They may provide general information, including a description of the coverage and price, as well as process the application, collect premiums, and perform other non-licensable activities permitted by the state.
- **Suitability in annuity transactions:** Vetoed—new sales standards that attempt to ensure that an annuity that is sold to a senior or other person is suitable for that consumer. Governor Dayton vetoed the bill arguing it did not go far enough in protecting consumers.
- **Debt collection:** Collection agencies must ensure that a criminal background check is conducted on all individual collectors at the time of initial hiring and each time the collector's registration is renewed with the state.
- **Liquor sales on Sunday:** Not authorized.
- **Liquor store clothing:** Authorized liquor stores to sell clothing marked with the specific name, brand, or identifying logo of the store.
- **Drinking age:** Proposals to lower the drinking age were not enacted. One measure would have permitted persons at least 19 years of age and less than 21 to consume alcohol within the premises of an on-sale establishment. Another proposal would have permitted any person under 21 years of age to consume alcohol within those same premises provided they are accompanied by a parent or legal guardian.
- **Wine educator:** Authorized the issuance of on-sale liquor licenses to "wine educators." Local units of government granted the authority to prohibit "wine education" within their jurisdictions. Wine educators teach others about the various aspects wine in order for them to gain a greater appreciation for "vino."
- **Event tickets:** A proposal to prohibit ticket issuers (Vikings, Twins, concert promoters, theatre venues, etc.) from restricting the resale of an event ticket by a purchaser was not adopted.
- **Snow skiing:** A proposal to establish a series of responsibilities incumbent upon skiers and ski operators was not enacted. Among other things, the proposal would have limited a ski operator's civil liability for injuries to skiers.
- **Conciliation court:** Increased the general monetary threshold for filing a conciliation court claim from \$7,500 to \$10,000 until August 1, 2014 at which time the threshold will increase to \$15,000. The threshold for claims involving consumer credit transactions will remain at \$4,000.
- **Torts:** Vetoed—several proposals to modify litigation practices including: (1) changes to the process for appealing the certification of a class-action lawsuit; (2) a reduction from six to four years in the general statute of limitation period for bringing certain legal actions. The proposal would not have impacted other

statutes of limitation that are expressly delineated in law, such as those governing medical malpractice or sexual abuse; (3) limitations on the awarding of attorney fees; and (4) a reduction in the pre-judgment interest that can be levied in civil litigation cases.

- **Tort limits:** Established a state and local government tort liability limit of \$1 million for any number of claims arising out of a single occurrence, if the claims involve a nonprofit organization engaged in or administering outdoor recreational activities funded in whole or in part by the state or a municipality, or operating under the authorization of a permit issued by the state or a municipality.
- **Asbestos-related successor corporation liability:** Vetoed—a limitation on an “innocent” corporation’s liability for asbestos-related claims that arise out of the “innocent” corporation having merged with a “guilty” corporation that held such liability.
- **Notary public fee:** No repeal of the \$1 cap on the fee a notary may charge.
- **Homeowners’ insurance – contractors:** A proposal to prohibit contractors from negotiating with insurance companies on behalf of homeowners who are filing a claim was not enacted.
- **Home solicitation sale:** A “home solicitation sale” generally refers to businesses making pitches and selling product at the consumer’s front door. “Home solicitation sales” are subject to various consumer protection requirements governing such things as the right to cancel a contract, return of payments or goods, penalties for violations, and damages. This year the legislature expanded the definition of a “home solicitation sale” to include sales of “improvements to real property.”
- **Fire sprinklers:** Vetoed—a prohibition on the State Building Code, the State Fire Code, or local units of government from requiring the installation of fire sprinklers in any new or existing single-family homes.
- **Fireworks expansion:** Vetoed.

## MISCELLANEOUS

- **Arts and Cultural Heritage Fund:** \$1.6 million appropriated from the “Arts & Cultural Heritage Fund” for arts & cultural-related programs.
- **Civil War & the Dakota Conflict of 1862:** \$80,000 appropriated from the arts and cultural heritage fund for grants to public broadcasting organizations to develop historical programming about the American Civil War and Dakota Conflict. \$100,000 appropriated to the Historical Society for activities that commemorate the sesquicentennial of those events.
- **Historical rulemaking website:** \$35,000 appropriated to implement a website to provide the public searchable access to historical documents relating to state agency rulemaking.
- **Minnesota Historical Society:** Appropriated \$800,000 to the Historical Society to preserve and enhance access to Minnesota’s history, and its cultural and historical resources.
- **Film production incentive program:** Allocated \$600,000 to a new film incentive program. Film producers can be reimbursed for eligible production costs incurred in Minnesota that are directly attributable to the production of a film or documentary in Minnesota.
- **Chaska presidential pardon:** Not enacted—a directive to the Governor to urge the President of the United States to pardon We-Chank-Wash-ta-don-pee, also known as Chaska, for any alleged crimes stemming from his involvement in the Minnesota-Dakota conflict of 1862. An investigation conducted by the Reverend Stephen Riggs immediately after the conflict found “no testimony against the man (Chaska) of any kind.” Chaska was included in the list of 303 condemned to die after military commission trial proceedings; however, President Abraham Lincoln subsequently commuted the death sentence of Chaska. Despite the President’s commutation, Chaska was hanged on December 26, 1862 for crimes in the Dakota Conflict. Chaska saved the life of Sarah Wakefield and her children during the 1862 conflict.
- **Gambling card clubs at the tracks:** Increased the limit on the number of tables from 50 to 80 at the Canterbury Park and Running Aces card clubs; authorized house banked card games; increased the wager limit from \$60 to \$100; removed the limits on the number of poker tournaments and tournament tables. Authorized racetracks and tribal casinos to enter into agreements to add horse race pari-mutuel wagering at the casinos. These changes will help increase purses.
- **“Clawbacks”:** Limited the ability to engage in a “clawback” on a qualified charity or religious organization. The term “clawback” refers to an attempt to “undo” a transfer of money or other property to

an organization or individual, when the person doing the transfer was insolvent or obtained the money or other property fraudulently, such as in a ponzi scheme (for example, Tom Petters). Charitable and religious organizations have been faced with "clawback" claims made by victims of fraud or creditors of donors, which has proven financially burdensome to those entities.

- **ALJ mandatory retirement age:** Repealed the mandatory retirement age (70) for Administrative Law Judges and workers compensation judges.
- **New persons authorized to perform marriages:** Administrative Law Judges in the Office of Administrative Hearings.
- **Window cleaning safety:** Modified the state building code to require the installation of anchors dedicated to suspended window cleaning on: (1) new buildings four stories or greater; and (2) existing buildings four stories or greater, but only on those areas undergoing reconstruction or repair that result in the exposure of primary structural components of the roof.
- **State soil:** Designated Lester as the official soil of the state of Minnesota.
- **State pipe band:** A proposal to designate the Minnesota State Fire Service Memorial Pipe Band as the official pipe band of the state of Minnesota was not enacted. The band performs at a variety of functions including funeral services for firefighters, deployment and return ceremonies of the Minnesota National Guard, and military honors funerals for soldiers who have died in the line of duty.
- **State mammal:** A proposal to officially designate the black bear, *Ursus americanus*, as the official mammal of the state of Minnesota was not enacted.
- **Legal tender:** Not enacted—the designation of gold and silver as legal tender in the state of Minnesota.
- **Animal impoundment:** All seized animals must be held for redemption by the owner for at least five business days or for a longer time if dictated by municipal ordinance. Seized animals can not be released for research or product testing.