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Minnesota House of Representatives

Kurt Daudt, Speaker

FOR IMMEDIATE RELEASE
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New Laws Effective July 1, 2016

The following are selected new laws passed during the 2016 legislative session that take effect July 1, 2016. The asterisk following the bill number denotes the language that became law. Summaries of all laws passed by the 2016 Legislature are available online from nonpartisan House Public Information Services at <http://www.house.leg.state.mn.us/newlaws/#/search/2016>

BUDGET

General Fund spending will increase by \$182 million

State spending will increase in the 2016-17 biennium, using about a fifth of the \$900 million projected surplus that was forecast in February.

Sponsored by Rep. Jim Knoblach (R-St. Cloud) and Sen. Richard Cohen (DFL-St. Paul), a new law appropriates an additional \$182.39 million from the General Fund for the current biennium and anticipates an additional \$233.33 million in 2018-19 biennial spending. Articles in the law cover E-12 education, higher education, health and human services, agriculture and environment, jobs and equity, public safety and state government.

HF2749*/SF2356/CH189

Highlights of the law include:

Higher Education: \$2 million for the state grant program for low- and middle-income Minnesota students attending any in-state postsecondary institution. The Office of Higher Education will also receive \$500,000 for equity in postsecondary attainment grants and \$500,000 for the creation of a web system connecting students and employers.

Broadband: An additional \$40 million in General Fund spending in Fiscal Year 2017. Of the new money, \$35 million is to go toward broadband development grants. Of this, \$5 million may be used for grants to underserved areas, and up to \$1 million may be used for administrative costs. The law will also change state access and high-speed goals.

Economic Disparities: An appropriation of \$35 million to be distributed among a wide range of grant programs and organizations working to reduce economic disparities among racial and ethnic groups in the state.

Health and Human Services: No additional money for health and human services programming is provided in the new law. However, funding shifts, largely from the Health Care Access Fund, will provide an increase in certain reimbursement rates and subsidized services, including 35 percent for a dental clinic or group that meets the critical access dental provider designation and a 30 percent increase for dentists offering services to those on Medicare. The law also provides for a 5 percent payment rate increase for ambulance services in rural area.

BUSINESS AND COMMERCE

Obstacles to clear for some coin dealers who sell, trade at shows

Some telemarketers and infomercials have made it harder for legitimate coin dealers to do business, especially those dealing in small quantities at coin shows.

A new law aims to strike a balance between the very small dealers and hobbyists versus the role of consumer protections.

Sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. David Tomassoni (DFL-Chisholm), the law further refines 2013 laws dealing with bullion sales by:

- changing the definition of “bullion coin” to “bullion product”;
- requiring dealers and dealer representatives to register with the commissioner of commerce within 45 days of selling \$25,000 worth of bullion product;
- providing that a surety bond is not required unless the dealer sells \$25,000 in bullion;
- making changes to information a dealer must provide a customer; and
- requiring dealers to investigate consumer complaints and retain certain records pertaining to complaints.

HF3309/SF3175*/CH134

Eyelash extension license to be required

People not licensed as cosmetologists or estheticians will be required to obtain a license to apply eyelash extensions. This new category of licensee, eyelash extension technicians, will be regulated by the Board of Cosmetologist Examiners.

Sponsored by Rep. Mary Franson (R-Alexandria) and Sen. Bill Ingebrigtsen (R-Alexandria), the law will require technicians to complete 14 hours of education or training in order to obtain the license.

HF2389/SF2802*/CH127

Wagering on simulcast races could see bump

Live betting at Minnesota’s two racetracks is increasing, but the same can’t be said for wagering on races being simulcast at the track; therefore, overall racing revenue has left the Minnesota Racing Commission short on operating revenue.

A new law will make it easier for consumers to make bets over their phone or electronic device on horse races conducted outside the state.

Sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Dan Sparks (DFL-Austin), the law also:

- establishes licensing criteria and a regulatory framework for advance deposit wagering providers;
- provides the commission with operating revenue by targeting 1 percent of all amounts wagered to the commission;
- recaptures a portion of the wagering to benefit the horse breeding industry and make for greater purses; and
- establishes protections so that Minnesotans who bet on races taking place outside the state enjoy the protections offered by the state.

Last year, the Legislature appropriated \$341,000 as stop-gap funding, with the request that interested parties come together to find a sustainable source of funding.

HF3211*/SF2835/CH183

Electronic raffle stubs can replace those made from paper

Purchased raffle tickets are traditionally put into a container and winners hand-drawn. A new law will allow for numbers to be electronically selected.

Sponsored by Rep. Chris Swedzinski (R-Ghent) and Sen. Dan Sparks (DFL-Austin), the law will also increase bingo prize limits from \$200 to \$500; create a new definition for “share the pot” raffles;

shorten from six months to 90 days the time a person must be with an organization before being named a gambling manager; clarify how hot-ball bingo prizes may be funded; and require local jurisdictions receiving 10 percent of gambling net profits for charitable purposes to publicly acknowledge the source of the funds.

HF3102*/SF3034/CH139

EMPLOYMENT

MN OSHA AWAIR list updated less frequently

Sponsored by Rep. Jason Rarick (R-Pine City) and Sen. Fong Hawj (DFL-St. Paul), a new law modifies a section of the Occupational Health and Safety Acts standards governing the AWAIR – “A Workplace Accident and Injury Reduction Act.”

AWAIR requires employers in certain industries to develop written, comprehensive workplace safety and health programs within six months of the time their operations are included on the North American Industry Classification System. NAICS is the standard used by federal statistical agencies to classify businesses for data collection and analysis.

The law reduces the frequency with which the Department of Labor and Industry must update the list it keeps of employers who must comply from two to five years.

HF2992/SF2733*/CH128

Changes made to electronic waste recycling laws

How electronics manufacturers arrange for the collection and recycling of their products, and how much they must pay, will be modified.

Sponsored by Rep. Denny McNamara (R-Hastings), a new law also requires the Board of Investment to manage the Metropolitan Landfill Contingency Action Trust “to maximize long-term gain.”

The law makes numerous electronic waste technical changes, and among other provisions will:

- specify that a manufacturer is financially liable for transporting and recycling video display devices, but not for the costs of activities with covered electronic devices that take place before they’re transported to the recycler;
- require collection sites to be staffed and open to the public for an “adequate” period;
- change how the amount of products each manufacturer must recycle annually is calculated;
- allow collectors to limit the covered electronic devices accepted per customer per day;
- amend the reporting date and add a requirement that recyclers report the weight of video display devices, and the weight of batteries and mercury containing lamps as covered electronic devices; and
- require certification that recyclers of covered electronic devices only accept them from registered collectors.

HF2841*/SFnone/CH166

ENVIRONMENT

Nearly \$38 million in LCCMR appropriations approved; \$8.4 million vetoed

Sponsored by Rep. Tom Hackbarth (R-Cedar) and Sen. Kari Dziedzic (DFL-Mpls), a new law allocates money based on recommendations made by the Legislative-Citizen Commission on Minnesota Resources for expenditures from the Environment and Natural Resources Trust Fund. This fund was established through a constitutional amendment approved by voters in 1988 to direct proceeds from the state lottery and investment income to benefit natural resources.

When presented to Gov. Mark Dayton, the bill totaled \$46.34 million in spending; however, the governor line-item vetoed \$8.43 million for seven proposed projects. While not against the funding recipients, Dayton expressed concern in his veto letter that a number of other projects recommended by the commission were rejected.

The appropriations in the law are divided into eight general categories:

- Foundational Natural Resource Data and Information – \$7.96 million
- Water Resources – \$7.80 million
- Land Acquisition for Habitat and Recreation – \$7.17 million
- Aquatic and Terrestrial Invasive Species – \$5.86 million
- Methods to Protect, Restore, and Enhance Land, Water, and Habitat - \$4.52 million
- Environmental Education – \$2.31 million
- Air Quality, Climate Change, and Renewable Energy - \$2.09 million
- Administration – \$210,000

The law also implements several policy changes including provisions that:

- require LCCMR meetings – its committees, subcommittees, technical advisory committees and peer reviewers – to be open according to the state’s open meeting law;
- prohibit recipients of appropriations used to purchase land from accepting a monetary donation or payment that exceeds documented expenses, except under certain circumstances; and
- require LCCMR members to develop a procedure to elect a chair that rotates each meeting, between legislative and citizen members.

HF2993/SF2963*/CH186

Sulfate discharge limit to be changed at Keetac mine

A requirement that the United States Steel Corporation’s Keetac mining facility in Keewatin observe a wastewater discharge standard of 10 milligrams per liter into waters that produce wild rice has been removed.

Sponsored by Rep. Jason Metsa (DFL-Virginia) and Sen. David Tomassoni (DFL-Chisholm), a new law replaces the “10 standard” with a new sulfate discharge limit yet to be determined by the Pollution Control Agency.

Sulfate is a naturally occurring chemical, but research has shown it can harm wild rice when present in elevated levels.

HF3726/SF3376*/CH165

STATE GOVERNMENT

Two-year terms for Legislative Coordinating Commission leaders

The Senate President and Speaker of the House will alternate as chair of the Legislative Coordinating Commission every two years instead of annually.

Sponsored by Rep. Joe Hoppe (R-Chaska) and Senate President Sandy Pappas (DFL-St. Paul), a new law also requires that before a new professional or technical services contract is entered into a determination must be made that no current legislative employee is able to perform those services. Under the former law, this requirement applied only to contracts over \$5,000.

For any professional or technical service contracts valued in excess of \$25,000, a determination must also be made that reasonable efforts were made to publicize the availability of the contract and that performance metrics have been established to evaluate the performance of the contractor.

Appointees to ethnic councils need to attend orientation training only during their initial term, rather than each term. Ethnic council executive directors must consult with the commissioner of administration to ensure appropriate services for operation are in place.

The executive director must consult with the council chair before taking disciplinary actions that include written reprimands, suspensions, demotions or discharges. The executive director must also submit the council’s biennial budget request to Minnesota Management & Budget. The budget must also be submitted to the LCC by Feb. 1 of each odd-numbered year.

HF1520/SF1372*/CH130

Nearly \$1.79 million owed to wrongly incarcerated trio

Michael Hansen, Koua Fong Lee and Roger Olsen were each imprisoned for a crime they did not commit.

A new law will provide nearly \$1.79 million in financial compensation from the state in Fiscal Year 2017.

Each year, a joint House-Senate Subcommittee on Claims meets to determine which petitions will be funded. All state agencies are eligible to receive funding to cover the claims, but the other \$11,140 in claims comprising the law relate to five personal injury claims against the Department of Corrections.

The “Imprisonment and Exoneration Remedies Act” was enacted in 2014 to create a compensation process for cases where a person was exonerated of a felony for which they were wrongfully incarcerated.

Under the law, “the claimant is entitled to reimbursement for all restitution, assessments, fees, court costs, and other sums paid by the claimant as required by the judgment and sentence. In addition, the claimant is entitled to monetary damages of not less than \$50,000 for each year of imprisonment, and not less than \$25,000 for each year served on supervised release or as a registered predatory offender, to be prorated for partial years served.”

The following are the payments due the trio:

- \$916,828 for Hansen, who served almost seven years in state prison for a crime after being found guilty of killing his 3-month-old daughter, but was exonerated when a district court ruled that a medical examiner erred regarding the cause of his daughter’s death;
- \$475,000 for Olsen, who served approximately 30 months in custody after being found guilty on 12 counts of first- and second-degree criminal sexual conduct, but was exonerated after evidence was discovered that made the accusations “inherently unreliable”; and
- \$395,148 for Lee, who was released after 33 months in prison when it was determined his Toyota experienced an acceleration malfunction causing it to crash into another car in St. Paul, killing a man and two children.

Among other provisions, the law will also raise the claims filing fee from \$5 to \$8, raise from \$500 to \$7,000 the amount to “be investigated by the state or local agency supervising the work to determine if the claim is valid and if the loss is covered by the claimant’s insurance” and permit the Corrections, Human Services and Veterans Affairs departments to settle claims and demands of \$7,000 or less at any time versus waiting for the annual claims law.

Rep. Duane Quam (R-Byron) and Sen. Ron Latz (DFL-St. Louis Park) sponsor the law.

HF3328*/SF3094/CH148