

# HOUSE RESEARCH

## Bill Summary

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### Overview

This is the omnibus State Government Finance bill. For a summary of appropriations, see the spreadsheet prepared by fiscal analyst Helen Roberts, at <http://www.house.leg.state.mn.us/fiscal/tracking.htm>

### Article 1: Appropriations

#### Section

- 1 **State government appropriations.** Explains that appropriations are for fiscal years 2002 and 2003, and are from the general fund, unless otherwise specified.
- 2 **Legislature.** Cancels to the general fund \$1 million carried forward into the new biennium by the House.  
Provides for joint offices under the Legislative Coordinating Commission to provide joint public information and television services for the House and Senate, effective January 1, 2002.  
Permits legislative appointing authorities to work with the department of employee relations to place legislative staff on temporary assignments in state agencies during the interim between the 2001 and 2002 legislative sessions.
- 3 **Governor and Lieutenant Governor.** Specifies an appropriation for expenses for which no other reimbursement is provided. Requires the commissioner of finance to report to the legislature on personnel costs incurred by the office of the governor and lieutenant governor that were supported by appropriations to other agencies.
- 4 **State Auditor.**
- 5 **State Treasurer.**
- 6 **Attorney General.**

- 7 **Secretary of State.** Specifies an appropriation for voting equipment grants.
- 8 **Campaign Finance and Public Disclosure Board.**
- 9 **Investment Board.**
- 10 **Administrative Hearings.**
- 11 **Office of Strategic and Long-Range Planning.** Specifies a base budget reduction for the critical issues activity. Specifies appropriations for grants for: regional development commissions, urban river development guidelines, I-35W corridor planning, and the Northern Counties Land Use Coordinating Board. Requires the director to submit a plan to the legislature by January 30, 2002 for creation of a competition council to make recommendations related to competitive delivery of services or goods currently delivered by government. Specifies an appropriation for matters relating to the economic status of women. Transfers employees of the legislative commission on the economic status of women to the office.
- 12 **Administration.** Specifies appropriations for 911 operations. Provides that the balance in the state building code account in the special revenue fund as of July 1, 2001 is canceled to the general fund.
- Requires the Senate to transfer control of the G2 office suite in the Capitol to the Governor's office. Requires transfer of the B46 office suite to the Senate. Provides that 80 covered spaces and 105 roof spaces in the State Office Building parking ramp must be assigned to House staff. Provides for proportional reductions in spaces assigned to staff from other entities. Provides that in lieu of receiving a rent deficiency payment for ceremonial space, the department of administration must locate the state bookstore in room 230 of the Capitol. Specifies an appropriation for television and other transmission of legislative activities. Specifies an appropriation for grants to noncommercial television stations for conversion to a digital broadcast signal. Requires a station using from this appropriation for construction of a transmission tower to consult with public radio stations in the area to determine if they have a similar need, and if so, to complete a cost-benefit analysis to determine if it is more economically feasible to jointly construct the new tower. Specifies grants for AMPERS radio stations.
- Requires a supplemental evaluation, risk assessment, and risk management plan from the CriMNet system, with a report by March 15, 2002. Provides that new section 16E.0465 does not apply to the CriMNet system during the biennium ending June 30, 2003. Requires the office of technology to establish the state information architecture by March 1, 2002. Appropriates \$9 million for deposit in the technology enterprise fund, and states permissive uses of the money.
- 13 **Employee Relations.** Appropriates money to pay costs of compensation and economic benefit increases to executive branch employees. Specifies an appropriation for a grant to the Government Training Service. Specifies an appropriation for Fair Labor Standards Act compliance costs.
- 14 **Capitol Area Architectural and Planning Board.** Provides that during the biennium, money received by the board from public agencies is appropriated to the board. Provides that any unencumbered money appropriated for the Hubert H. Humphrey memorial is canceled.
- 15 **Finance.** Requires the department to prepare a separate budget book for the biennium beginning July 1, 2003, containing all of the administration's technology initiatives, and also including an inventory of state-owned and leased technology, with a proposed replacement schedule. Requires this book to be in the same format as other biennial budget books.

- 16 **Revenue.**
- 17 **Military Affairs.** Specifies fiscal year 2001 funding to pay higher than anticipated fuel costs. Specifies appropriations for operation and staffing of the Minnesota national guard youth camp at Camp Ripley, contingent on a match from other sources. Prohibits the department from selling or leasing land in Ramsey County to MnDOT, and from locating a joint or shared facility with MnDOT in Ramsey County.
- 18 **Veterans Affairs.** Specifies an appropriation for a grant to the St. Louis County Historical Society for the veterans memorial hall.
- 19 **Veterans of Foreign Wars.**
- 20 **Military Order of the Purple Heart.**
- 21 **Disabled American Veterans.**
- 22 **Gambling Control.**
- 23 **Racing Commission.**
- 24 **Lottery.** Appropriates money from the lottery prize fund to the commissioner of human services for a grant to reconstruct Project Turnabout in Granite Falls.
- 25 **Amateur Sports.** Requires the commission to develop a plan for self-sufficiency and report it to the legislature by February 1, 2002. Specifies appropriations for soccer field development, for a grant to a nonprofit corporation for operation of a shooting sports program at a state-owned facility, and for a grant to the Range Recreation Civic Center for bleacher purchase.
- 26 **Board of the Arts.** Requires the board to report a list of grants awarded with funds appropriated for fiscal years 2000 and 2001 by type and dollar amounts, along with a measurement of impact for each grant. Requires the board to compile a make available a historical record for every grantee that has received funds from the board. Provides that the board may not award a grant of more than \$100,000 a year to any organization.
- 27 **Minnesota Humanities Commission.** Requires the commission to develop a plan for selection of a Minnesota poet laureate.
- 28 **General contingent accounts.**
- 29 **Tort claims.**
- 30 **Minnesota State Retirement System.**
- 31 **Minneapolis Employee Retirement Fund.**
- 32 **Police and Fire Amortization Aid.**
- 33 **PERA.** Appropriates money for deposit in the PERA general employees retirement fund, and requires a report.
- 34 **Compensation Council.** Provides that compensation council recommendations of 2001 may not take effect unless approved by law.
- 35 **Effective date.** Provides that appropriations for fiscal year 2001 are effective the day following final enactment.

## **Article 2: State Government Operations**

- 1 **Legislative day.** Defines a "legislative day" as a day when a committee of either house meets, as well as when either house meets in session.
- 2 **Federal funds; budget request.** Under current law, in most circumstances a state agency may not spend federal money unless a request to spend it has been submitted to the legislature as part of a budget request. This section provides that the budget request must be submitted at least 20 days before the deadline set by the legislature for legislative budget

committees to act on finance bills.

- 3 **Federal funds; state match.** References new procedures in this bill for approval of federal funds when there is no urgency and the legislature is not in session.
- 4 **Federal funds; change in purpose.** References new procedures in the bill for approval of federal funds when there is a change in purpose.
- 5 **Federal funds; increase in amount.** Provides that if a request to spend money is included in a governor's budget requests and approved, and the amount of money increases, the additional amount may be allotted when a revised requests is submitted and approved.
- 6 **Federal funds; interim urgencies.** Amends law dealing with interim request for urgent federal funds, to conform with changes in deadlines in section 2.
- 7 **Federal funds; LAC review.** Adds cross-references to new subdivisions, in section dealing with Legislative Advisory Commission review of requests for federal funds.
- 8 **Federal funds; interim non-urgencies.** Provides that if federal funds become available after the deadline for legislative consideration or while the legislature is not in session, and there is not an urgency, the commissioner of finance may submit the request to members of the Legislative Advisory Commission by October 1. If any member of the commission makes a negative recommendation or a recommendation for further review by October 20, the commissioner may not approve expenditure of the federal money. However, the request may be submitted to the full legislature the next year, in which case the process for approval of federal funds submitted as part of a legislative budget request applies.
- 9 **Public information.** Requires the Legislative Coordinating Commission (LCC) to establish a legislative public information office.
- 10 **Television.** Requires the LCC to provide television production and transmission services for the legislature.
- 11 **Meeting times.** Requires the house and senate to adopt rules that set one time as the regular hour of convening daily session in both houses.
- 12 **Joint standing committees.** Requires the house and senate to adopt rules that establish a system of joint standing committees. Permits separate rules committees and ethics committees.
- 13 **Pension Commission.** Provides that Pension Commission members continue to serve until their successors are appointed.
- 14 **Recodification.** Related to move in language governing approval of agency head salaries from chapter 43A to chapter 15A. Does not change the substance of this language. Corrects a cross-reference.
- 15 **Legislative Audit Commission.** Provides that in selecting evaluation topics, the Legislative Audit Commission must consider directing the auditor to conduct limited topic scoping reviews at the request of individual legislators.
- 16 **Access to data.** Provides that if the commissioner of administration issues an opinion that a person is entitled to data held by a state agency, and the agency refuses to provide the data or states that it does not exist, the legislative audit commission may instruct the legislative auditor to review state agency data related to the request. Provides that following the review, the auditor shall provide public data obtained to the audit commission.
- 17 **Fiscal notes.** Requires fiscal notes to include assumptions used in determining cost estimates.
- 18 **Legislative Commission on Metropolitan Government.** Creates a legislative commission on metropolitan government to oversee the metropolitan council's operating and capital

budgets, work program, and capital improvement program.

- 19 **Purpose. (Minnesota Planning land management information center)** States that the purpose of the land management information center is to integrate land use, in addition to environmental information, in its services.
- 20 **Definitions (Minnesota Planning).** Amends the definition of "sustainable development."
- 21 **Planning Guide (Minnesota Planning).** Directs Minnesota Planning to develop a planning guide for local communities for sustainable land use planning. Strikes language that requires the guide to be based on the principles developed by the EQB with advice from governor's round table on sustainable development.
- 22 **Specificity and distribution (Minnesota Planning).** Changes the requirement for a model ordinance for sustainable development to a planning guide for developing local land use ordinances and controls. Requires an electronic version of the guide to be made available.
- 23 **Periodic review (Minnesota Planning).** Strikes model ordinance and inserts planning guide in the provision that requires Minnesota Planning to review and update the planning guide at least every five years.
- 24 **Sustainable land use planning goals (Minnesota Planning).** Revises goals of community-based planning. Renames them as goals of sustainable land use planning. Revises the goals for resident participation, cooperation, conservation. Strikes goals for economic development, livable community design, housing, transportation, land use planning, public investments, public education, and sustainable development. Adds goals titled: preserve local autonomy, accommodate resident choices, preserve property rights, pay as you grow, and diverse perspectives. Requires state agencies to ensure that their objectives, plans and programs are not in conflict with the goals.
- 25 **Technical assistance (Minnesota Planning).** Strikes community-based planning and inserts sustainable land use planning in the provision that requires Minnesota Planning to provide local governments technical and financial assistance in preparing plans..
- 26 **Plan review and comment (Minnesota Planning).** Requires Minnesota Planning to compile (over time) and review all local comprehensive plans to determine the extent the plans conform with the goals. Requires local governments to provide Minnesota Planning with copies of their plans.
- 27 **Planning assistance (Minnesota Planning).** Describes planning assistance. Requires Minnesota Planning to provide local governments with planning assistance if asked. Directs Minnesota Planning to give towns and small cities priority in providing assistance.
- 28 **Secretary of State enterprise fund.** Provides that fees and revenues received by the Secretary of State (other than fees relating to elections) are deposited in a Secretary of State enterprise fund, and are appropriated to the Secretary of State. Effective July 1, 2002
- 29 **State Auditor revolving fund.** Requires revenue from billings and other fees received by the state auditor to be deposited in a state auditor revolving fund. Appropriates money in the fund to the State Auditor. Effective July 1, 2002.
- 30 **State Auditor revolving fund.** Refers to revenue being deposited in state auditor revolving fund, rather than general fund.
- 31 **State Auditor revolving fund.** Refers to revenue being deposited in state auditor revolving fund, rather than general fund.
- 32 **State Auditor revolving fund.** Refers to state auditor revolving fund, rather than general fund.
- 33 **Gift receipt.** Strikes requirement that the commissioner of finance approve state acceptance

of gifts, leaving this responsibility solely with the state treasurer. Provides that deposit of a negotiable instrument does not constitute acceptance, and that the amount deposited must be refunded if the gift is not accepted.

- 34 **Lobbyist.** Amends the definition of lobbyist in chapter 10A, to include a nonelected local official or an employee of a political subdivision acting in official capacity who spends more than 5 (instead of 50) hours a month attempting to influence legislative or administrative action.
- 35 **Disclosure.** Requires a member of the State Board of Investment to disclose any contract or other arrangement under which the member will perform services for compensation for a person or entity other than the state. The disclosure must be made to the Campaign Finance and Public Disclosure Board. The disclosure must include: the person or entity for whom services will be performed; the duration of the arrangement; and the compensation the member will receive. Disclosure must be made before the member begins to perform the services or within 30 days after the member agrees to perform the services, whichever is sooner.
- 36 **Public employee per diem.** Permits public employees who serve on state boards to receive per diem if they use compensatory time for board service.
- 37 **Public employee per diem.** Permits public employees who serve on state advisory groups to receive per diem if they use compensatory time for group service.
- 38 **Mississippi River Parkway Commission.** Strikes the commission from a list of groups that expires June 30, 2003.
- 39 **Capitol area.** Amends the description of the area subject to the jurisdiction of the Capitol Area Architectural and Planning Board.
- 40 **CAAPB.** Requires the commissioner of administration to provide, at no charge, the computer connections and other computer support for the Capitol Area Architectural and Planning Board.
- 41 **Recodification.** Related to move in language governing approval of agency head salaries from chapter 43A to chapter 15A. Does not change the substance of this language.
- 42 **Recodification.** Moves language governing approval of agency head salaries from chapter 43A to chapter 15A. Does not change the substance of this language.
- 43 **Technology budget book.** Requires the department of finance to prepare a separate budget book containing all of the administration's technology initiatives, and an inventory of state-owned and state-leased technology, along with a projected replacement schedule.
- 44 **Performance measures.** Requires that proposed change items in budgets include proposed performance measures that can be used to determine if the new or increased funding is accomplishing its goals.
- 45 **Building maintenance.** Strikes current law requirement that the presumed amount to be budgeted by state agencies each year for building maintenance is two percent of the costs of the building, adjusted up or down depending on the age and condition of the building.
- 46 **Statewide system account.** Permits the commissioner of finance to bill agencies up to \$7.52 million each year for statewide systems services provided to the agencies. Appropriates money received to the commissioner for statewide systems operations.
- 47 **Proceeds of litigation or settlement.** Provides that a state official cannot bring or settle litigation or potential litigation in a manner that would result in money being distributed to a person or entity other than the state. Provides that money recovered by a state official in litigation or settlement of potential litigation is state money and must be deposited in the

general fund.

Provides that this section does not prohibit distribution of money to specific injured persons or entities on whose behalf litigation or settlement efforts were initiated. If money recovered on behalf on specific persons or entities cannot reasonably be distributed to the persons or entities because they cannot be located or identified or because the distribution costs would outweigh the benefits, the money must be paid into the general fund. Provides that money recovered on behalf of a fund in the state treasury other than the general fund may be deposited in that fund. The section does not apply if the state is a defendant or potential defendant.

Defines "litigation", "money recovered", and "state official" for purposes of this section.

48

**Deficit remedies.** Strikes current law requiring the commissioner of finance to reduce allotments to agencies to respond to an anticipated budget deficit, and if the deficit cannot be managed entirely by using the budget reserve. Instead, specifies steps the commissioner is to take in the following order:

a. reduce allotments by amount of savings that can be made

b. consider other sources of revenue

c. may reduce the amount in the budget reserve account

d.

up to 10 percent allotment reduction in agency operating expenditures and discretionary grants

e. reduce or delay new or expanded programs with future implementation dates

f. reduced allotments for funds other than the general fund.

49

**Delay; reduction.** Corrects a cross reference in the law providing circumstances in which payments to a special taxing district or a system of higher education may be delayed.

50

**Parking restrictions.** Prohibits parking on terraces adjacent to the carriage entrance on the south side of the Capitol. Reserves ten parking paces on Aurora Avenue closest to the main entrance of the Capitol for physically disabled persons. Reserves the remainder of parking spaces on Aurora Avenue for the general public during legislative sessions.

51

**Municipality.** Includes all towns, not just urban towns, in the section concerning the enforcement of the state building code.

52

**Designate.** Defines the term to mean a formal process whereby a local governmental unit designates a certified building official with responsibility for building code administration.

53

**Administrative authority.** Defines the term to mean a municipality's governing body or an administrative authority assigned by the governing body.

54

**Adoption of code.** Directs the commissioner of administration to include in the state building code provisions regarding code administration, including procedures for administrative action, penalties, and suspension and revocation of certification.

55

**Building officials.**

**Subd. 1. Designation.** Directs all municipalities to designate a building code official to administer the code by January 1, 2002. Municipalities may designate a different official for each certification category.

**Subd. 2. Qualifications.** Provides that in order to be designated, a building official must be certified by the commissioner of administration. Removes exception for building officials engaged in administering the code prior to May 27, 1971.

**Subd. 3. Certification.** Authorizes the commissioner of administration to establish categories of expertise for building official certification. Removes language referring to the exception deleted from subdivision 2.

**Subd. 4. Duties.** Conforming change in language.

**Subd. 5. Oversight committee.** Establishes a code administration oversight committee to evaluate, mediate, and recommend action with respect to complaints concerning building officials. The committee consists of five certified building officials, at least two of whom must be from nonmetropolitan counties, and a commissioner's designee acting as an ex-officio member.

**Subd. 6. Administrative action and penalties.** Directs the commissioner of administration to establish by rule a graduated schedule of administrative actions for violations by building officials of the statutes and rules regarding the state building code. Authorizes the commissioner to impose a penalty for violations

**Subd. 7. Suspension; revocation.** Sets out conditions for the commissioner of administration to revoke, suspend, or refuse to issue or reissue a building official certification.

**Subd. 8. Vacancies.** Requires municipalities to designate replacement building officials as soon as possible, and to notify the commissioner of administration of a vacancy or designation in writing within 15 days. Authorizes the state building official to provide state employees to serve as local building officials if a municipality does not fill a vacancy within 15 days. Prohibits a municipality from issue permits without a designated certified building official.

**Subd. 9. Continuing education.** Removes obsolete language.

56 **Building code.** Provides for deposit of building code surcharges in the general fund, instead of the state government special revenue fund. Strikes standing appropriation from the state government special revenue fund.

57 **Membership.** Delays the expiration of the construction codes advisory council from June 30, 2001, to June 30, 2003.

58 **Volunteer services.** Provides that the director of the office of citizenship and volunteer services is appointed by the governor, rather than the commissioner of administration. A later section of the bill transfers the office to the Governor's office.

59 **American-made steel.** Requires public agencies to give first priority to products containing steel produced in the United States if these products do not cost in excess of five percent more than other products.

60 **Life cycle costing.** Provides that the commissioner must, instead of may, use principles of life-cycle costing, where appropriate, in determining the lowest overall bid when making purchases.

61 **Barter arrangements prohibited.** Forbids an agency from contracting or otherwise agreeing with an entity outside of state government to receive nonmonetary consideration in exchange for the agency providing nonmonetary consideration. This section does not apply to the Minnesota Zoo or the State Lottery.

62 **Cost-benefit analysis.** Provides that the commissioner of administration or an agency official to whom the commissioner has delegated contract approval duties may not approve



a contract or purchase of goods or services for transit or other transportation purposes of more than \$5 million unless a cost-benefit analysis shows a positive benefit to the public. However, if the analysis does not show a positive benefit, the governor may approve a contract if a cost-effectiveness study shows that the project is the most effective way to provide a necessary public good. The section applies to contracts for goods or services expected to have a useful life of more than three years. It does not apply to purchases for response to a natural disaster declared by the governor. The section expires June 30, 2003.

63 **Life cycle costing.** Provides that the commissioner must use principles of life-cycle costing, where appropriate, in determining the lowest overall bid when making building and construction purchases.

64 **Technology approval.** This section applies to an appropriation of more than \$1 million for specified technology projects. It includes appropriations to MnSCU, constitutional officers, joint state and local projects, and grants. Provides that the agency receiving the appropriation must divide the project into phases.

Provides that the commissioner of finance may not authorize the encumbrance or expenditure of an appropriation for any phase of a covered project unless the office of technology has reviewed the phase and the commissioner of administration has determined that: (1) the project is compatible with state information architecture and related policies and standards; and (2) the agency is able to accomplish the goals of the projects with the funds appropriated. Provides that the role of the commissioner of administration and the office of technology is to review and approve projects, not to design or implement them.

65 **Common Web format.** Requires state agencies implementing electronic government services to use a common Web page format approved by the commissioner of administration. Permits the commissioner to create a single entry site for all agencies to use.

66 **Salary Web access.** Requires governmental units that receive state funds to post on its Web site, if any, individual salaries and benefits of all employees of the government unit.

67 **Technology enterprise fund.** Establishes a technology enterprise fund. Appropriates money in the fund to the commissioner of administration for stated technology purposes. Provides that a portion of revenues from sale of information technology surplus equipment or data, rental of communication tower space, refunds from information technology services or purchases, and savings generate by technology and telecommunication projects may be deposited into the fund, upon agreement of the commissioner of administration and the executive of the government entity generating the funds. Funds are available until June 30, 2005.

Establishes a technology enterprise board to advise on expenditures from the technology enterprise fund. Requires annual reports to the legislature. The section expires June 30, 2005.

68 **Total compensation reporting.** Requires the commissioner of employee relations to report each year on executive branch salary and benefits. Specifies contents of the report.

69 **Combined charities campaign.** Requires the commissioner of employee relations to administer the state employee combined charities campaign. Provides for appointment of a voluntary advisory board.

70 **Political subdivision compensation limit.** Permits the commissioner of employee relations to grant exemptions from the political subdivision compensation limit for classes of positions. Under current law, the commissioner must consider each individual position. Provides that when considering an exemption requests, in making determinations on the appropriate salary, the commissioner may consider evidence of actual or anticipated

difficulties in attracting or retaining a qualified person.

71 **Co-payment required.** Provides that a state employee collective bargaining agreement or compensation plan must require a system of copayments, including, but not limited to, office visits and emergency or urgent care visits.

72 **Insurance benefits.** Provides that a collective bargaining agreement or compensation plan may provide state-paid benefits only to an employee or the spouse or dependent child or grandchild of the employee.

73 **Code of Ethics definition.** Defines "employee", for purposes of the state employee code of ethics, to include a constitutional officer.

74 **Determination of conflicts.** Provides that the chief administrative law judge shall make conflict of interest determinations for constitutional officers. Under current law, the commissioner of employee relations makes these determinations for executive employees. The commissioner will retain this authority, except for constitutional officers.

75 **Resolution of conflict.** Current law provides for assigning a matter to another employee if one employee has a conflict of interest, and provides that if reassignment is not possible, the person with the conflict may give notice of the conflict and proceed with the work.

This section provides a different standard for constitutional officers. They must attempt to avoid or mitigate a potential conflict of interest to the greatest extent practicable. Any person may request the chief administrative law judge to determine if a conflict exists. If the chief administrative law judge determines that a conflict of interest exists, any person may bring an action in Ramsey County district court to enjoin the activity that has been determined to constitute a conflict.

-817681 **Northern Technology initiative.** Creates the Northern Technology initiative as a public corporation. Specifies that the initiative is a regional economic development initiative of specified local government units. Specifies laws that apply to the corporation.

82 **Cross-reference.** Corrects a cross reference to the law governing the salary of the MnSCU chancellor.

83 **MnSCU contracts.** Permits the MnSCU board to enter into a contract with the chancellor or a president. Terms of the contract must be authorized by a compensation plan that requires legislative approval. Clarifies a provision of current law that notwithstanding statutory limits on severance pay, a contract may provide a liquidated salary amount or other compensation if the contract is terminated by the board prior to its expiration.

84 **Archaeology fees.** Permits the commissioner of administration to charge fees for providing archaeological services. Fees are appropriated to the commissioner to pay the costs of operating the office of the state archaeologist.

85 **Archaeology rules.** Provides that the commissioner of administration, in consultation with the state archaeologist to adopt rules relating to the duties of the archaeologist.

86 **Mississippi River Parkway commission.** Extends the sunset date for the commission to June 30, 2005.

87 **Life cycle costing.** Provides that the commissioner of transportation must, instead of may, use principles of life-cycle costing, where appropriate, in determining the lowest overall bid.

88 **Mediation.** Provides that mediation petitions must be served on the commissioner in writing rather than delivered in person or sent by certified mail.

89 **State militia; composition.** Under current law, the state militia includes all able bodied adult citizens of the state, as well as all other able bodied adults who have declared a desire

to become United States citizens. This section clarifies that the state militia also includes all members of the Minnesota national guard.

90 **Adjutant General; qualifications and rank.** Clarifies that the requirement for ten years of service in the United States armed forces includes service in the national guard.

Under current law, the adjutant general holds the rank of major general (two stars). New language would permit the adjutant general to be promoted up to the highest rank authorized under federal law. [There are currently four general officer ranks in the United States army: brigadier general (one star); major general (two stars); lieutenant general (three stars); and general (four stars).]

91 **Tuition reimbursement grants.** Increases maximum for National Guard tuition grants to 100 percent, instead of 75 percent of costs of tuition for lower division college of liberal arts programs at the University of Minnesota Twin Cities campus, and to 100 percent of specified other institutions. The higher limits sunset June 30, 2003.

92 **Armories; disposal of an unused site.** Under current law, if a local governmental unit donates a building site to the state or armory building commissions (ABC) for purposes of erecting an armory or maintenance shop, and the state or the ABC does not build the armory or maintenance shop within a ten year period, the local government may notify the state in writing of its withdrawal of the donation. If the site remains unused for armory purposes for one year following such notice, the state or the ABC must reconvey the site back to the donating unit of government. New language would allow the adjutant to reconvey the land back to the donating unit sooner than ten years if the state has no further interest in the property.

93 **Armories; payment for rental by the national guard.** Clarifies that the rental paid to the armory building commission by the national guard for an armory is not dependent upon whether bonds were issued for construction of the armory.

94 **Armories; conveyance to the state.** Clarifies that the conveyance of an armory by the armory building commission to the state upon payment of all construction indebtedness is not dependent upon whether the indebtedness was to the commission itself or to an outside bondholder.

95 **Veteran benefits.** Increases from \$350 to \$750 the maximum tuition benefit for veterans, and from \$350 to \$750 per year the maximum tuition benefit for children of veterans who died as a result of service in the armed forces.

96 **Limitations.** Strikes provision relating to December 31, 1989 date for veterans tuition benefits.

97 **Public employee per diem.** Permits public employees who serve on state occupational licensing boards to receive per diem if they use compensatory time for board service.

98 **Amateur Sports appropriation.** Re-directs a \$750,000 standing appropriation so that the money goes for soccer field development, instead of for Target Center purposes. The section expires July 1, 2003.

99 **Soccer field development.** Permits the Minnesota Amateur Sports Commission to make matching grants to political subdivision for new amateur soccer fields. Specifies match criteria.

100 **Nonprofit filing fee.** Provides that a nonprofit corporation registration statement need not be accompanied by a filing fee if it is being filed only to change the address of the registered office.

101 **Reinstatement.** Strikes \$25 fee when a nonprofit corporation that is dissolved reinstates its corporate existence.

- 102 **General (county planning).** Substitutes sustainable land use plan for community-based plan in the section of law establishing a process for planning that is consistent with the goals and encourages counties to prepare and implement such a plan.
- 103 **Resident participation (county planning).** Encourages each county to develop a planning process with broad resident participation, incorporating the first state goal, resident participation, into county planning..
- 104 **Notice and participation (county planning).** Substitutes the term sustainable planning for the term community-based planning. Provides for Minnesota Planning, instead of the county, to notify other state agencies of a county's comprehensive planning process and coordinate those agencies' participation.
- 105 **Coordination (county planning).** Substitutes the term sustainable planning for the term community-based planning and encourages coordination by a county with neighboring or constituent local governments.
- 106 **Limited joint planning (county planning).** Strikes language that allows a single plan for a joint planning district and prohibits members of a joint planning district from delegating zoning authority to the joint planning board.
- 107 **Review and comment (county planning).** Requires a county or joint planning district to submit its sustainable land use plan to Minnesota Planning in order for Minnesota Planning to determine if the plan conflicts with state laws and rules. Also requires Minnesota Planning to comment on how the plan shows consideration of the state goals. States that Minnesota Planning's comments are advisory only and cannot be used for determining state aids. Eliminates reference to community-based planning, including Minnesota Planning's review process under community-based planning and the dispute resolution process.
- 108 **No mandamus proceeding (county planning).** Strikes community-based planning in the provision that prohibits any mandamus proceedings against a county for not conforming its plan to the goals.
- 109 **Emergency telephone service fee.** Establishes 911 fee at 27 cents, and strikes language allowing the commissioner of administration to establish the fee.
- 110 **Municipal planning and development; statement of policy.** Revises the legislative findings and statement of policy for authorizing municipal planning. Supports local control. Supports private ownership of land and allowing municipal planning to be flexible and adaptable to the market.
- 111 **Comprehensive municipal plan.** Strikes the part of the definition of comprehensive municipal plan that indicates it is a guide for social and economic development, both public and private, and strikes the part of the definition allowing including proposed densities for development.
- 112 **Land use plan (municipal planning).** Strikes the part of the definition of land use plan that indicates it is a guide for both public and private development, and strikes the part of the definition allowing including proposed densities for development. Requires a land use plan to include procedures for members of the public to initiate amendments to the plan.
- 113 **General (municipal planning).** Strikes community-based planning in the section that encourages municipal planning consistent with the goals
- 114 **Coordination (municipal planning).** Requires a municipality that prepares a comprehensive municipal plan that is consistent with the goals to give a copy of the plan to the county and the municipality's neighbors to determine if implementation will result in any clear adverse impacts on the other jurisdictions. Strikes the language that requires a municipal plan be incorporated into the county plan.

- 115 **Limited joint planning (municipal planning).** Strikes language that allows a single plan for a joint planning district and prohibits members of a joint planning district from delegating zoning authority to the joint planning board.
- 116 **Cities; urban growth areas (municipal planning).** Strikes community-based planning and references to urban growth areas. Leaves the requirement that municipal plans and official controls establish a staged process for extending municipal services to surrounding areas.
- 117 **No mandamus proceeding (municipal planning).** Strikes community-based planning in the provision that prohibits any mandamus proceedings against a municipality for not conforming its plan to the goals.
- 118 **Report on consultants.** Requires the annual budget for the metropolitan council to list, by contract or project, expenditures for consultants in the preceding and next year. Specifies information to be included.
- 119 **Metropolitan development guide.** Provides that council may not approve local comprehensive plans or plan amendments until it has responded in writing to Minnesota Planning comments. Strikes reference to community-based planning.
- 120 **Legislative commission on metropolitan government; review.** Requires the metropolitan council to submit specified financial information to the legislative commission on metropolitan government information.
- 121 **Term of license; fee; premarital education.** Provides a \$20 marriage license fee (reduced from the \$70 customary fee) for couples who receive at least 12 hours of premarital education from a clergy member or designee or a marriage and family therapist. Qualified education must include the use of a premarital inventory and communication and conflict management skills.
- 122 **Disposition of license fee.** Provides for the county to keep \$15 of the reduced marriage license fee when a couple does counseling. Directs payment of \$3.00 of the balance to supervised child visitation centers and \$2.00 to MN ENABL (teen pregnancy prevention).
- 123 **Must.** Defines "must" as mandatory, throughout Minnesota Statutes.
- 124 **Settlement division.** Strikes language requiring the office of administrative hearings to maintain settlement division offices in St. Paul, Duluth, and Detroit Lakes.
- 125 **RiverCentre Arena.** Provides for loan repayment funds to be deposited in the general fund instead of a youth activities account.
- **Non-repealer.** Strikes law that would have sunset sections 4A.08, 4A.09 and 4A.10.  
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- 128 **Application.** Provides that sections dealing with the metropolitan council apply to counties in the metropolitan area.
- 129 **RFP; intertechnology services.** Requires that by January 1, 2002, the commissioner of administration issue one or more requests for proposals covering all services currently provided by the intertechnologies group. Current state employees, as well as outside vendors, may respond to the request. Requires the commissioner to enter into a contract to provide services covered by the requests for proposals for the period beginning July 1, 2002.
- 130 **Urban rivers guidelines.** Requires Minnesota Planning to prepare guidelines for sustainable development along central business districts of rivers in urban areas.
- 131 **NTI board.** Provides for the initial board of the Northern Technologies Initiative.
- 132 **Light rail cost calculation.** Requires the legislative auditor to prepare and submit to the legislature an accounting of government costs relating to the Hiawatha Avenue light rail transit line.

- 133 **Pay equity study.** Requires the commissioner of employee relations to convene a work group to examine practices and progress of the local government pay equity act, and to report findings to the legislature by January 15, 2002.
- 134 **Shall/must.** Requires the Revisor of Statutes to submit a proposal to change "shall" to "must" in Minnesota Statutes.
- 135 **House chamber policy.** Provides that male Senators must not be admitted to the House chamber while wearing a tie.
- 136 **Locating state agencies.** Requires Minnesota planning to develop criteria for proper location of state agencies. The purpose is to evaluate the advantages and disadvantages of proposals to relocate and decentralize state services and facilities.
- 137 **Rent adjustments.** Provides that general fund appropriations in this act to state agencies for increased rent costs must be reduced by a total of \$2,864,000. Requires the commissioner of finance to allocate this reduction proportionately among agencies and reduce appropriations accordingly.
- 138 **Ratifications.** Ratifies the following items, which were given interim approval by the legislative Subcommittee on Employee Relations:
- amendments to the MnSCU administrators compensation plan
  - Increases for state agency salary heads (For heads of most major state departments, the former salary was \$97,301. In July, 2000, the legislative Subcommittee on Employee Relations approved an increase to \$102,258, retroactive to January 1, 2000, and an increase to \$108,393, effective August 1, 2000.)
  - an arbitration award and labor agreement between the state and the Minnesota Government Engineers Council
  - Salary increases for the directors of the state board of investment (from \$102,258 to \$108,393) and the teachers retirement association (from \$88,456 to \$90,225, retroactive to July, 1999).
- The legislature must approve these actions if the salary increases are to remain in effect.
- 139 **Revisor instruction.** Instructs the revisor to recodify the law governing the office of volunteer services in the chapter of statutes dealing with the Governor.
- 140 **Transfer.** Transfers the office of citizenship and volunteer services from the department of administration to the office of the governor.
- 141 **Repealers.**
- (a) 3.9222: Legislative commission on economic status of women
    - 8.31, subd. 2c: Deposit of litigation proceeds in the general fund in specified circumstances
    - 13.606, subd. 2: Reference to legislative commission on planning and fiscal policy
    - 16B.37: Executive reorganization authority
    - 16B.58, subd. 7: State employee parking surcharge
    - 129D.06: Arts board grants
    - 394.232; 473.1455; 572A.01; 572A.03(2): Relating to community-based planning
  - (b) 13.202, subd. 8, 465.795, etc: Board of Government Innovation and Cooperation

- (c) 4A.07, subd. 3, etc. : relating to community-based planning
- (d) 16A.67, 16A.6701, 246.18, subd. 7 Cambridge bank bonds
- (e) 43A.18, subdivision 5: language related to system of approving agency head salary increases; repealed because it is recodified into a new section in chapter 15A.

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**Effective dates.**

**Article 3: Elections**

- 1 **Supervisors elected at large.** Amends the soil and water conservator district law. Specifies that a supervisor must reside in the district from which he or she is elected.
- 2 **Petition requirements for ballot questions.** Sets standards for signing a petition where a statute authorizes or requires putting a question to the voters. Requires construing the statute to mean that signers must be "current voters" rather than only being persons eligible to vote, or who did vote, at the last election.
- 3 **Violations; penalty.** Amends the current petty misdemeanor penalty for voting in the wrong precinct after receiving an initial violation notice. Makes it a misdemeanor to vote in the wrong precinct after being found to have committed a petty misdemeanor under this law. Makes it a gross misdemeanor to vote in the wrong precinct after a misdemeanor conviction under this section. Makes it an affirmative defense that the voter relied on inaccurate information provided by a unit of local government.
- 4 **Statewide registration system.** Eliminates obsolete language on the transition to a statewide voter registration system.
- 5 **Election day registration.** Specifies what an individual may use as proof of identity for purposes of election day registration: driver license, Minnesota identification card for non-drivers, passport, military identification, Minnesota post-secondary school identification, state or local government employee photo identification, medical assistance photo identification card, or identification issued by a tribal government.  
  
Specifies that an individual may prove residence if one of the above items does not include a current address by providing: a utility bill that is due within 30 days after election day; a driver license, learner permit, or receipt for either of these; notice of late voter registration; or a student dormitory list prepared under current law and certified to the county auditor by the secretary of state's rules.  
  
This differs from current law in separating the concepts of identification and residence, where current law deals only with residence. It also specifies in law kinds of proof currently accepted under the secretary of state's rules but not listed in statute.  
  
Requires an election judge to initial each registration card completed on election day. Currently, initialing would be optimal.
- 6 **Form.** Requires a voter registration card to include the final four digits of a voter's social security number. Makes this section effective April 1, 2002.
- 7 **Deficient registration.** Provides that a voter registration card accepted before April 1, 2002 is not deficient if it lacks the final four digits of the social security number or the statement "none" if the voter has no such number. Lets a county or municipality request this information from a voter who registered before April 1, 2002, at any time except at the polling place.
- 8 **Existing cards.** Allows use of existing registration cards printed before April 1, 2002, and not having space for the digits from the voter's social security number until used up. Requires cards printed after March 31, 2002, to include space for the digits from the voter's social security number.

- 9       **Rules.** Requires the secretary of state to adopt rules on the registration card changes.
- 10       **Master list.** Specifies that a list of registered voters provided to law enforcement or for purposes of jury selection must not include the last four digits of a voter's social security number.
- 11       **Polling place roster.** Prohibits including the last four digits of a voter's social security number in a polling place roster.
- 12       **Public information lists.** Prohibits including the partial social security number on any voter lists that are available to the public. Requires inspection and copying of voter rosters to be conducted in the same manner that applies to a public information list.  
Makes this section effective April 1, 2002.
- 13       **Report on felony convictions.** Adds the convicted person's partial social security number to the information that must be provided to election officials. Shifts from the secretary of state to the county auditors the responsibility for determining whether anyone listed in the felony conviction report is registered to vote and changing their status in the voter registration database accordingly.
- 14       **Duties of local jurisdictions.** Requires a political subdivision to file notice with the county auditor if it will be filling a vacant office or holding an election on a question. Specifies that notice must be filed 49 days before the election.  
Requires a county auditor to notify the secretary of state if a political subdivision files a notice that it will be conducting an election on a ballot question or to fill a vacancy. Notice must consist of the name of the political subdivision, the election date, and the office to be filled or the text of the question to be voted on.  
This section is effective July 1, 2001.
- 15       **Limits on local government meetings.** Amends the statute that limits the conduct of public business on precinct caucus day. Adds special taxing districts as defined in current law to the government units covered by this law.
- 16       **Application procedures.** Amends the absentee ballot law to require acceptance of absentee ballot applications submitted by fax. Allows an absentee ballot application to include an application for automatic receipt of absentee ballots for all elections because of permanent illness or disability.
- 17       **Permanent illness or disability.** Specifies that a permanently disabled voter who otherwise automatically receives an absentee ballot application before each election will not automatically receive an application for ballots for an election to be conducted by mail (because all voters get mail ballots in these cases).
- 18       **Unofficial ballots.** Amends the absentee ballot law. Requires the county auditor or municipal clerk to prepare unofficial ballots if official ballots are not ready when the time for absentee balloting starts or if ballots have run out before absentee voting ends.
- 19       **Delivery of envelopes; directions.** Amends the absentee ballot law. Permits printing directions for casting an absentee ballot on the ballot envelope.
- 20       **Study.** Requires the secretary of state to do a study and make recommendations to the legislature on voters in health care facilities on election day having privacy while voting there. The report is due December 31, 2002.
- 21       **Military service; temporary residence outside United States.** Amends the military and overseas voter absentee voting law. States that it is intended to implement the federal law on uniformed and overseas citizens voting.
- 22       **Submission of application.** Allows a county auditor or municipal clerk to accept a military



or overseas voter's absentee ballot application submitted by fax if the secretary of state determines that could be done securely. Lets a person's social security number qualify as the person's military identification number.

Makes an absentee ballot application under this law apply to any ensuing special election conducted during the calendar year in which the application is received.

- 23 **Form of affidavit.** Amends the affidavit of candidacy law. Specifies that it does not apply to presidential and vice presidential candidates.
- 24 **Petitions for presidential electors.** Amends the statute on nominating petitions for presidential electors. Specifies that it does not apply to major party electors, who are certified under section 208.03.
- 25 **Candidates in state and county general elections.** Adds that an affidavit of candidacy may be signed in the presence of an individual authorized by current law to administer oaths (this includes elected officers, election judges, and specified others). Current law requires the affidavit to be notarized. Specifies that this statute does not apply to presidential and vice presidential candidates, who are covered by section 208.03.
- 26 **Write-in candidates.** Requires a person filing to be a write-in presidential candidate to include the name of a vice-presidential candidate and at least one elector but not more names than the total number of electoral votes to be cast by the state. Requires a write-in candidate for governor to include a lieutenant governor candidate.
- 27 **Election board; head election judge; duties.** Changes "chair of the election board" to "head election judge" in current law.
- 28 **Minimum number required.** Requires the head election judge to be present in the polling place all of election day, unless she or he designates another judge to serve during a period of absence.
- 29 **Minimum number required in certain precincts.** Strikes an obsolete reference to lever voting machines, which are no longer used in this state.
- 30 **Vacancies among election judges.** Changes "chair of the election board" to "head election judge" in current law.
- 31 **Translation of voting instructions.** Authorizes the secretary of state to develop voting instructions in languages other than English. Instructions would be posted and made available in polling places. Requires the secretary to determine which languages are common enough to need translated instructions.
- 32 **Meeting with election officials.** Changes "chair of the election board" to "head election judge" in current law.
- 33 **Procedure.** Amends the law on voting by mail in municipalities with fewer than 400 registered voters. Applies the current deadline for designating a new or different polling place in any election.
- 34 **Mail elections; questions.** Amends the current statute on local government elections by mail. Applies to that law the current deadline for designating a new or different polling place in any election.
- 35 **Voting equipment grant account.** Creates a grant fund so political subdivisions can purchase ballot tabulation equipment. Requires depositing in the account any federal funds disbursed for election administration improvements. Lets the secretary of state make grants after certifying to the commissioner of finance that (1) the grant will be used only for vote tabulation equipment; (2) the political subdivision has inadequate resources without the grant; and (3) the recipient will provide a one-to-one match from non-state and non-federal

funds.

- 36 **School districts; counties.** Amends current law restricting meetings of governing bodies on election day. Adds to the covered units of government: special taxing districts as defined in current law.
- 37 **Right to be absent.** Provides that a student who is eligible to vote has the right to be absent from school to vote during the morning of an election day, and that the student must not be considered truant during this absence.
- 38 **Permanent registration.** Requires an election judge to obtain a picture identification card issued by the state or federal government or by a tribe from each registered voter as the voter signs the roster. Allows a voter who does not have government issue photo identification to sign an affidavit that the individual is the person listed on the precinct roster and does not have the required identification. Under current law the judge has discretion to confirm the voter's name, address, and date of birth. Makes this section effective April 1, 2002.
- 39 **Federal, state, and judicial races.** Amends the current legislative and district judge recount statute. Adds statewide constitutional and judicial offices and representatives and senators in Congress. Changes the margin for automatic recount in all these races from 100 votes to less than one-half of one percent of the vote; except when 400 or fewer votes are cast for a nomination or election, a recount is triggered by ten votes.
- 40 **Required recounts.** Amends the local office automatic recount statute. Eliminates the sliding scale based on the total number of votes cast. Replaces it with a difference of one-half of one percent of the total vote cast, except that when 400 or fewer votes are cast, the margin for triggering a recount would be ten votes rather than one-half percent. In a case where two or more seats are being filled from among all the candidates, the one-half percent is measured as the difference between the elected candidate with the fewest votes and the candidate with the most votes from among those who were not elected.
- 41 **Discretionary ballot question recounts.** Technical amendment that goes with the previous section.
- 42 **Instructions to printer.** Amends current law that requires a local unit of government to get legal advice about preparing ballots. Specifies that the legal advisor to a town official only is required to give advice about rotation of names on the ballot.
- 43 **Example ballots.** Requires the secretary to give the auditors an example ballot for the primary and general elections every June 1. Requires the auditors to distribute the samples to municipal and school district clerks who have elections that year.
- 44 **Special federal white ballot.** Specifies that the ballot for military and overseas voters must be prepared and furnished in accordance with the federal law on this subject.
- 45 **Voter registration.** Strikes a reference to the presidential primary because that primary law has been repealed.
- 46 **Minnesota election law.** Clarifies that the election code provisions on municipal election law govern municipal elections unless another statute expressly provides otherwise.
- 47 **Filing period.** Makes the filing period for all town officers the same as it is for cities and for towns with a November election.
- 48 **Example ballot.** Requires the secretary to give town clerks with March elections a copy of an example ballot by 30 days before absentee ballots must be prepared. The example ballot must illustrate the format for general election ballots that year.
- 49 **Election, conduct.** Clarifies that the election code provisions on municipal election law

govern municipal elections unless another statute expressly provides otherwise.

50 **Canvass of returns.** Clarifies that the general election canvass is to be carried out by the governing body of either a city conducting any election or a town that conducted the general election.

51 **Election law applicable.** Clarifies that the election code provision on school election law governs school elections unless another statute expressly provides otherwise.

52 **Combined polling place.** Amends the law allowing a school district to use combined polling places. Applies to this designation the current deadline for designating a new or different polling place in any election (i.e., 90 days before an election).

53 **Electronic voting systems.** Authorizes the secretary to license a touch-sensitive direct recording electronic voting system for experimental use. Requires such a system to enable a visually impaired voter to vote independently and privately.

54 **Voting equipment decennial report.** Each December 31 of a year ending in one, the secretary of state must file a report to the legislature (1) identifying the voting equipment used in each precinct, and (2) making recommendations about needed modifications or replacement of systems. Makes this section effective January 1, 2002.

55 **Electors to meet at capitol.** Changes the time for presidential electors to meet from noon to 9:00 a.m. Clarifies the procedure for filling a vacancy if a presidential elector is absent (the governor chooses by lot).

56 **Electors to meet at state capitol.** Requires the secretary of state to choose the place in the capitol where the presidential electors will meet and notify the governor and electors seven days before the meeting date. Provides for the secretary of state to preside at the electors' meeting. Specifies a secret ballot for the electors. Provides for the secretary to transmit the electors' certifications to the individuals required to receive them under federal law.

57 **Pleadings; procedure.** Amends the election contest statute. Provides for the court to rely on the secretary of state's rules for recounts to the extent possible.

58 **When and where filed by committees.** Amends the law on campaign spending reports in local elections. Corrects a cross reference.

59 **Congressional candidates.** Specifies that a candidate whose spending report is published on the Federal Election Commission web site has complied with state filing requirements.

60 **County attorney inquiry.** Amends the law that requires a county attorney to investigate alleged fair campaign practices act violations. Requires the county attorney to make a probable cause determination within 14 days or notify the complainant when such a determination will be made.

61 **Officials may administer; when.** Lets the secretary of state designate an employee to administer oaths to individuals filing affidavits of candidacy, nominating petitions, declarations of intent to be a write-in candidate, or other documents related to elections.

62 **Vacancies.** Specifies the manner of filling vacancies in a town office. If the vacancy occurs on or after the 14<sup>th</sup> day before filings open, and more than a year remains in the term, the appointed individual serves until the election that occurs a year later, when a successor will be elected to complete the term.

63 **Repealer.** Repeals (1) a reference to an affidavit of candidacy for the presidential primary because there is no such primary and (2) a reference to aiding disabled voters to use lever machines because such machines are no longer used.

Repeals a rule on example ballots. The substance is proposed to be enacted in statute under section 43.

#### Article 4: Pension Administrative Provisions

- 1 **Legislator plan.** Clarifies that only former members of the plan are entitled to refunds of member contributions.
- 2 **Post-retirement fund.** Specifies how the fair market value of the postretirement fund is to be computed for each participating pension fund.
- 3 **TRA data.** Specifies that certain data on members and beneficiaries of TRA and first-class city teacher funds are private.
- 4 **MSRS employees.** Strikes language which provided MSRS coverage for all service provided by an employee working part-time in state employment and part-time in MnSCU.
- 5 **Elected officials; MnSCU.** Strikes exclusion of elective state officers from MSRS coverage. Adds an exclusion for MnSCU unclassified employees.
- 6 **Examinations.** Adds the concept of psychological exams or chiropractic evidence to determinations about a person's disability status.
- 7 **Examinations.** Adds concept of psychological exam to disability determinations.
- 8 **Refund.** Increases from \$2 to \$25 the amount that must be in a person's MSRS account for the money to be restored to the person's account if the person leaves and then returns to MSRS service.
- 9 **Non-job-related disability.** Strikes requirement that a person be under 55 to become entitled to a non-job-related disability benefit from fire marshal plan.
- 10 **Job-related disability.** Strikes requirement that a person be under 55 to become entitled to a job-related disability benefit from fire marshal plan.
- 11 **Examinations.** Adds concept of psychological exam to disability determinations in correctional plan. Provides that the disability benefit ceases at the later of age 65 or on the five-year anniversary of the disability benefit, instead of ceasing at age 62.
- 12 **Disability benefit.** Provides that a disability benefit shifts to a retirement benefit at the later of age 65, or at the five-year anniversary of the disability benefits, instead of ceasing at age 62.
- 13 **Resumption of work.** When a disabled correctional plan employee resumes work, bases the disability benefit adjustment on the salary at time of disability, adjusted for inflation, rather than basing it on wages for similar positions.
- 14 **Average monthly salary.** Provides that average monthly salary under the state trooper plan does not include lump sum annual leave payments and overtime payments made at time of separation from state service.
- 15 **Resumption of work.** When a disabled state trooper plan employee resumes work, bases the disability benefit adjustment on the salary at time of disability, adjusted for inflation, rather than basing it on wages for similar positions.
- 16 **Disability.** In state trooper plan, adds concept of psychological evidence to support a disability application.
- 17 **TRA coverage.** Clarifies which non-faculty MnSCU employees are covered by TRA.
- 18 **TRA payments.** Changes from 7 to 14 days date by which payments to TRA must be made to avoid interest charges.
- 19 **First-class city teacher plans.** Clarifies that "salary" is based on compensation before deductions for deferred compensation, supplemental retirement plans, or other voluntary salary reduction programs. Specifies items that are not included in "salary".
- 20 **Payment acceptance.** Provides that payment for allowable service credit, repayment of a

refund, or payment for an eligible leave of absence for first-class city teachers may be made with funds distributed from specified tax-deferred plans.

21 **Payment by teacher collecting workers compensation.** Permits Duluth teachers fund members to purchase service credit for a period that person is receiving workers compensation.

22 **Reporting, remittance.** Specifies data that employing units must report to first-class city teacher funds. Provides payment remittance deadlines.

23 **Resumption of teaching.** Requires employing units to report to first-class city teacher funds the amount of postretirement income earned for teaching service performed after retirement.

24 **Refund.** Increases from \$500 to \$1500 the amount of a refund a board can pay in absence of probate proceedings to a surviving spouse or next of kin.

25 **Disclosure.** Provides that investment disclosure document included as part of an annual report and filed with the Pension Commission satisfies statutory disclosure requirements.

26 **Judges.** Provides for allowable service to be calculated based on calendar months, rather than on years or fractions of years.

27 **Repealer.** Requires law requiring Duluth Teachers fund to have a June 30, 2020 amortization target date for purposes of determining amortization contribution requirement.

28 **Effective dates.**

#### **Article 5: Open Meeting Law: Local Plans**

1 **Open meeting law.** Provides that governing bodies of state and local public pension plans, including volunteer fire plans, are subject to the open meeting law. (Statewide plans are covered by the open meeting law under existing law).

2 **Open meeting law.** Same change as prior section.

3 **Effective date.** The article is effective the day following final enactment.

#### **Article 6: Police State Aid**

1 **Tribal governments.** Includes American Indian tribal police departments in the police state aid program.

2 **Effective date.** The article is effective the day following final enactment.

#### **Article 7: Generalized Service Credit Purchases**

-313 **Allowable service.** Cross-references to service credit purchased under new section 356.555, dealing with parental or family leave.

4 **TRA.** Defines "another governmental jurisdiction" in the law allowing teachers to purchase out-of-state service credit. Includes another state, local governments in other states, the federal government, a federally recognized American Indian tribe, and other countries.

5 **Developmental achievement center.** Permits purchase of TRA service credit for teaching service in a developmental achievement center.

6 **College supplemental funds.** Permits use of funds in a college supplemental account to be used to purchase TRA service credit for specified prior service.

7 **University of Minnesota Service.** Permits a vested TRA member to purchase up to 10 years of TRA service credit for University of Minnesota teaching service.

8 **IRAP.** Permits higher education individual retirement account plan members who also are vested in TRA to purchase TRA service credit under various purchase of service credit provisions.

9 **First-class city teacher plans.** Defines "another governmental jurisdiction" in the law

allowing first-class city teachers to purchase out-of-state service credit. Includes another state, local governments in other states, the federal government, a federally recognized American Indian tribe, and other countries.

- 10 **Developmental achievement center.** Permits purchase of first-class city teacher plan service credit for teaching service in a developmental achievement center.
- 11 **College supplemental funds.** Permits use of funds in a college supplemental account to be used to purchase first-class city teacher service credit for specified prior service.
- 12 **University of Minnesota Service.** Permits a vested first-class city teacher member to purchase up to 10 years of service credit for University of Minnesota teaching service.
- 13 **IRAP.** Permits higher education individual retirement account plan members who also are vested in first-class city teacher fund to purchase first-class city teacher service credit under various purchase of service credit provisions.
- 14 **Purchase payment determination.** Extends to July 1, 2003 the current law governing determination of payment amount for purchases of prior service credit. Under current law, this method sunsets July 1, 2001.
- 15 **Parental or family leave.** Permits vested members of the largest public pension plans to purchase service credit for periods of parental or family leave of up to five years. The person must pay the full actuarial value of the service credit purchased.
- 16 **MERF.** Amends MERF law to refer to service credit purchased for periods of parental or family leave.
- 17 **Minneapolis Police.** Defines allowable service credit, including a reference to credit purchased under specified existing laws, and under the new law governing parental or family leave.
- 18 **Minneapolis Fire.** Adds a reference to service credit under the new law governing parental or family leave.
- 19 **Expiration.** Sections 1 to 3 and 14 to 18 are repealed May 16, 2003. Sections 8 and 13 expire May 16, 2002.
- 20 **Effective dates.**

#### **Article 8: State Patrol Retirement Plan**

- 1 **MSRS.** Changes exclusion from MSRS general plan, in connection with change in the next section.
- 2 **State patrol plan.** Adds to the state patrol fund, fugitive apprehension officers after October 31, 2000, employed by the office of special investigations of the department of corrections, who are peace officers.
- 3 **Contributions.** Requires contributions after November 1, 2000 to the MSRS general plan for fugitive apprehension officers, to be transferred to the state patrol plan. Requires employees transferred to pay the incremental difference in employee contributions between November 1, 2000 and passage of this act. Requires the department of corrections to pay the incremental employer contributions for the period.
- 4 **Effective date.** Retroactive to November 1, 2000.

#### **Article 9: Privatized Employee Disability Coverage**

- 1 **Former University hospital employee.** Permits a former University hospital employee, who had a medically documented disability before the University hospital was privatized, to receive an MSRS disability benefit.
- 2 **Former public hospital employee.** Permits an employee of a privatized public hospital who

had a preexisting disability before termination of public pension coverage to receive a disability from PERA.

3 **Effective dates.** Effective the day following final enactment, with section 1 having specified retroactive effect.

#### **Article 10: PERA membership**

1 **Included employees.** Includes full-time employees of the Dakota County agricultural society in PERA.

2 **Excluded employees.** Excludes from PERA certain trades workers employed by the city of St. Paul of the St. Paul school district and plumbers employed by the metropolitan airports commission, if the workers have pension coverage under a private collective bargaining agreement. For workers first employed before May, 2001, the exclusion applies only if the employees elect to be excluded.

3 **Included employers.** Includes the Spring Lake Park fire department and the Dakota County Agricultural Society in the last of governmental subdivisions covered by PERA.

4 **Dakota County/Metropolitan Inter-County Association.** Permits Dakota County to provide financial and accounting services, including payroll management and records, to the Metropolitan Inter-County Association (MICA). Provides that MICA employees are not county employees.

5 **Dakota County Agricultural Society.** Permits Dakota County to provide financial and accounting services, including payroll management and records, to the Dakota County Agricultural Society. Permits Dakota County to cover agricultural society employees in county insurance plans.

6 **Exclusion election.** Provides certain trades workers employed by the city of St. Paul or the St. Paul school district, or plumbers employed by the Metropolitan Airports Commission to elect to be excluded from PERA if the employees have private pension coverage.

7 **Dakota County.** Permits Dakota County to treat full-time Dakota County Agricultural Society employees as county employees for PERA purposes.

8 **Effective dates.** The sections in this article require approval of the applicable local governing body.

#### **Article 11: PERA Funding**

1 **Technical.** Change in terminology.

2 **Membership.** Changes in cross-references and terminology.

3 **Membership inclusions.** Provides for more public employees to be covered by PERA, by striking the exclusion of certain low-paid public employees.

4 **Excluded employees.** Excludes elected officials, other than county sheriffs, from mandatory PERA coverage. Current elected officials who are PERA members remain PERA members. Strikes requirement that an employee must earn more than \$425 in any one month to be covered. Narrows the exclusion of student workers, so that it applies only if the employment is predicated on the student status of the individual. Provides a new exclusion of seasonal workers hired after June 30, 2002 to fill positions limited to 185 consecutive calendar days. Provides an exclusion for certain sheltered employment or work-study employees.

5 **Optional membership.** Provides that PERA membership is optional for employees of certain labor organizations, certain elected officials, city managers, employees of the townships association, and employees of county historical societies. The latter two classes of employees can be members only if the employer agrees.

6 **Governmental subdivision.** Technical

- 7 **Member.** Clarifications and changes in cross-references to reflect other changes in this article.
- 8 **Termination of membership.** Changes to reflect other changes in the article dealing with PERA membership.
- 9 **Temporary layoff.** Cross-reference to circumstances under which members receive credit for an authorized temporary layoff.
- 10 **Temporary position.** Provides that the PERA exclusion of temporary positions does not apply to service during a probationary period that is a requirement for subsequent permanent employment.
- 11 **Seasonal position.** Defines "seasonal position" for purposes of the exclusion of certain seasonal employees from PERA membership.
- 12 **Allowable service.** Specifies certain types of leaves of absence during which a person continues to qualify for PERA service credit. Specifies method of making payments and receiving credit for service during these leaves. Specifies circumstances under which a person receives credit for a period of temporary layoff of up to three months.
- Provides that a new PERA member receives full service credit only for a month in which a person is compensated for 80 or more hours of work. Provides fractional credit for lesser amounts worked in a month.
- 13 **Business year.** Defines the term.
- 14 **Compensated hours.** Defines the term, for purposes of determining eligibility for service credit.
- 15 **PERA board.** Technical.
- 16 **Employee contributions.** Increases employee contributions by .35 percent of pay, effective January 1, 2002.
- 17 **Employer contributions.** Increases employer contributions by .35 percent of pay, effective January 1, 2002.
- 18 **Employer reporting.** Requires the employer to report to PERA on the number of compensated hours of each employee.
- 19 **Employer reporting.** Requires the employer to report to PERA on the number of compensated hours of each employee.
- 20 **Volunteer ambulance personnel.** Limits volunteer ambulance service personnel participation in PERA to people who become members before July 1, 2002.
- 21 **Target date for full funding.** Extends to June 30, 2031 the target date for amortizing PERA's unfunded liability.
- 22 **Consolidation report.** Requires the executive directors of MSRS, PERA, and TRA to report by February 15, 2002 on implementation steps necessary to consolidate administration of the three systems if the legislature subsequently determines that this should occur.
- 23 **Report on aggregation of teacher plans.** Requires the executive directors of TRA and the three first-class city teacher pension funds to report by February 15, 2002 on steps that would be necessary to create or restructured teacher retirement plan if the legislature subsequently determines that this should occur.
- 24 **Study.** Requires the pension commission to study PERA funding issues, and report to the legislature by March 1, 2003.
- 25 **Effective dates.**



## Article 12: MNSCU

- 1 **Labor organization employees.** Provides that officers as well as employee of labor organizations representing teachers covered by TRA may elect to be TRA members.
- 2 **Transfer of funds to IRAP.** Permits a participant in the higher education Individual Retirement Account Plan (IRAP) who has less than 10 years of TRA service to transfer TRA member contributions to the IRAP.
- 3 **Repealer.** Repeals a provision dealing with TRA leave of absence for labor union service.
- 4 **Effective dates.** Effective immediately. Section 1 applies to employment as an officer of the interfaculty organization after July 1, 1996.

## Article 13: Local Police and Fire Plans

- 1 **Mail-in ballot.** Provides that active, retired, and surviving spouse members of the Minneapolis police relief association may participate in the election of board members by mail-in ballot.
- 2 **Mail in referendum on voting by mail.** Permits the board of the association to conduct a mail referendum to decide if bylaws amendments can be approved by mail vote. Specifies how information supporting and opposing the proposal must be made available to members, and provides a method for challenging the objectivity of the draft summary of this information. Requires the question of whether future bylaw changes can be made by mail to receive two-thirds favorable votes to become effective.
- 3 **Eveleth.** Permits increases of \$100 per month in benefits payable to retired Eveleth police officers and firefighters and surviving spouses. Requires local approval.

## Article 14: Volunteer Fire Relief Association Administration

- 1 **Volunteer fire relief association consultants.** Requires a consultant for a volunteer firefighter relief association to post bond or provide evidence of errors and omissions or professional liability insurance, to cover potential adverse financial impact to the fund in the event of the consultant's actions or inactions. For purposes of this section, a consultant is an actuary, accountant, attorney, investment advisor or management, investment advisor or management selection consultant, a pension benefit design advisor, or any other financial consultant.
- 2 **Volunteer fire re-employment.** Permits member of a volunteer fire relief association who has terminated active membership and qualified for a pension to receive the pension despite subsequent employment as a fire chief or fire inspector.
- 3 **Effective dates.**

## Article 15: One Person or Small Group Service Credit Purchases

- 1 **TRA; sabbatical.** Permits purchase of .34 year of service credit from TRA for a sabbatical leave. Requires the person to pay the shortage in member contributions. Requires the Anoka-Hennepin school district to pay the remainder of the actuarial value of the service credit.
- 2 **TRA; leave of absence.** Permits purchase of service credit for the full actuarial value for time on extended leave.
- 3 **PERA; White Bear Lake.** Provides one year of service credit in PERA for a person employed as a clerical employee of the White Bear Lake school district. Requires the school district to pay the actuarial value.
- 4 **Minneapolis teachers retirement fund.** Authorizes purchase of service, for the full actuarial value, in the Minneapolis teachers retirement fund for one school year.
- 5 **PERA; Lac qui Parle.** Authorizes purchase of service in PERA for three months, for the

full actuarial value. Requires the person to pay the member contributions, and requires Lac qui Parle to pay the remainder.

- 6 **PERA; Minneapolis park board.** Authorizes purchase of service in PERA, for full actuarial value, of specified Minneapolis Park Board service.
- 7 **PERA.** Authorizes purchase of service in PERA for full actuarial value, for employment as an instructor at the Carlson school of management at the University of Minnesota.
- 8 **PERA police and fire.** Authorizes purchase of service credit in PERA police and fire fund, for full actuarial value, for up to 10 years of employment as a police officer in Brainerd.
- 9 **PERA.** Authorizes purchase of service credit in PERA for full actuarial value for service in 1974 and 1975. Provides for the member to make employee contributions, and for the city to pay the remainder of the actuarial value. Provides for benefit revisions if the service credit is purchased.
- 10 **PERA police and fire.** Provides for transfer of past service credit in the PERA general plan to the PERA police and fire plan for a specified employee of White Bear township. Requires the affected employee to pay the difference between the applicable contribution rates, and requires White Bear Township to pay the remainder of the actuarial value of the transfer.
- 11 **Effective dates.** Effective immediately.